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Workplace gazette

An Industrial Relations Quarterly

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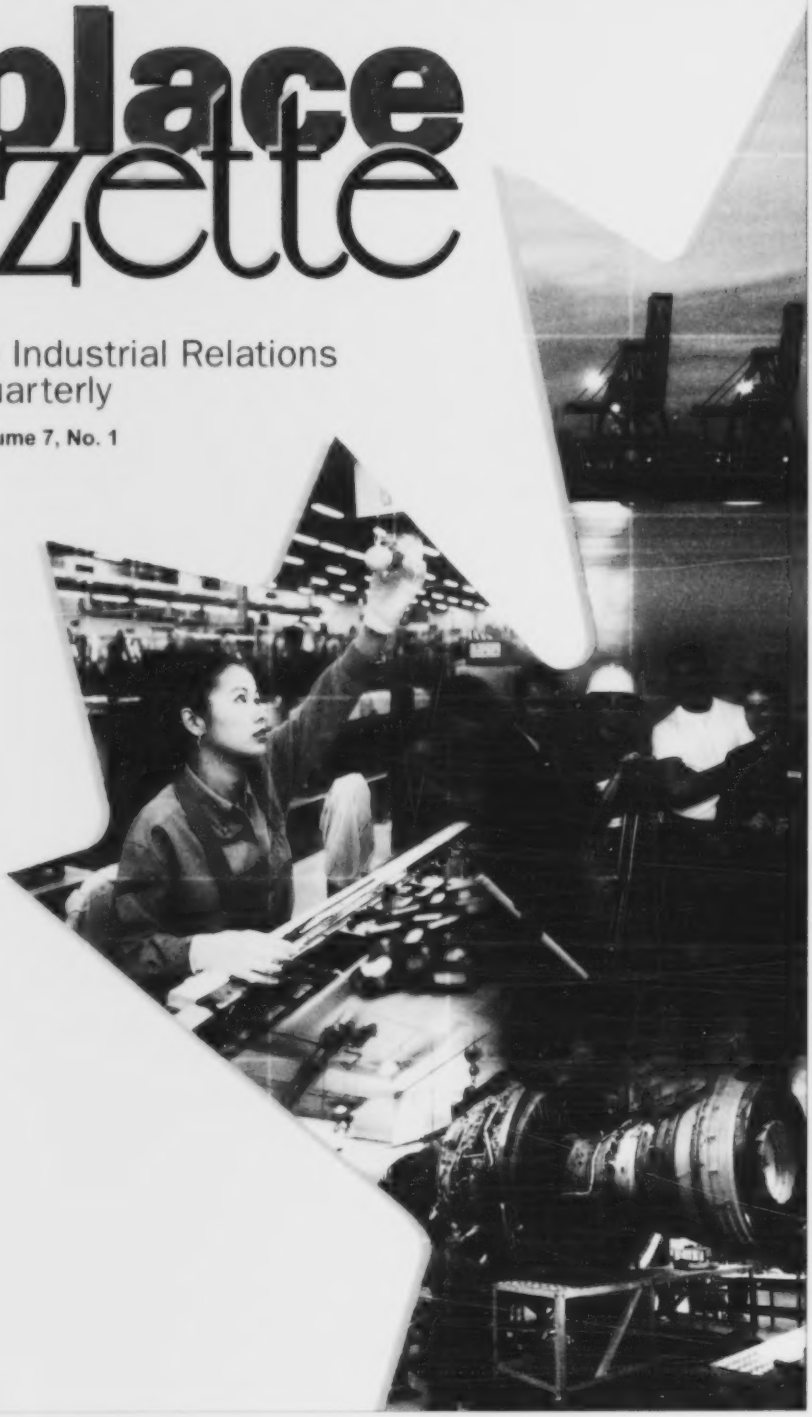

Spring 2004

- Competitiveness and Collective Bargaining in Canada
- Creating a Respectful Workplace—A Successful Approach in Saskatoon, Saskatchewan

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AT A GLANCE

The *Workplace Gazette* presents a wide range of information and analysis to meet the ever-changing needs of the industrial relations community. Its purpose is to provide a sound base for research in support of the bargaining process.

The *Workplace Gazette* includes information and analysis on wage adjustments, collective agreement provisions, innovative workplace practices, work stoppages, upcoming key negotiations and other related topics.

The Spring 2004 issue includes annual and fourth quarter data for 2003 on wage adjustments in major collective agreements, both current and historical, by public and private sectors, by region/jurisdiction and by major industry. Also, included is a listing of major settlements reached in the fourth quarter 2003 and information on work stoppages for the fourth and third quarters of 2003. An overview of selected provisions highlights indirect compensation in collective agreements. Innovative practices in the workplace resulting from collective bargaining are summarized.

An overview of ongoing Labour-Management Partnerships Program initiatives is described and a case study on creating a respectful workplace in Saskatoon, Saskatchewan is featured. An article by J. Rose considers the impact of competitiveness on collective bargaining in Canada. Finally, a report on the annual meeting of Labour ministers concerning globalization and international labour cooperation agreements is presented.

Recent changes in Canadian Labour Laws focus on adopted bills, regulations and other statutory instruments. The Departmental Library is offering reading material on workplace diversity.

Finally, Yesterday and Today looks at pension plans.

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The content of this publication has been prepared by members of The Canadian Association of Professional Employees and the Public Service Alliance of Canada.

MAJOR WAGE SETTLEMENTS*

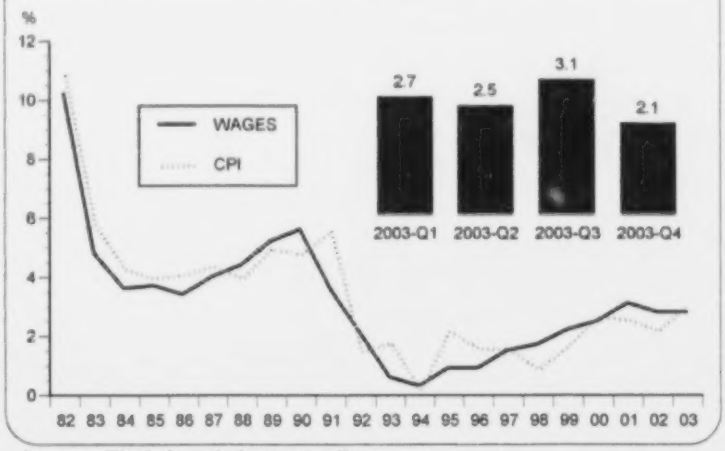
Annual and Fourth Quarter 2003

Summary

- Major collective bargaining settlements reached in **2003** provided base-rate wage adjustments averaging **2.6 per cent** annually over the contract term, a decrease from the 2.8 per cent average for the year 2002.
- The results of the year 2003 are based on a review of 337 settlements reached, and cover 616,710 employees.
- The average wage adjustment in 2003 was fractionally below the average in contracts they replaced. When the parties to these settlements last negotiated, the resulting wage adjustments averaged 2.7 per cent, compared to the 2.6 per cent in their 2003 contracts.

Chart A

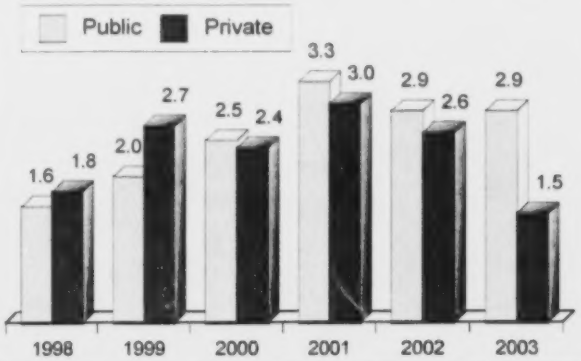
Major Wage Settlements
Average Annual Percentage Adjustment in Base Rates



Source: Workplace Information Directorate.

Chart B

Major Wage Settlements by Public/Private Sectors
Average Annual Percentage Adjustment in Base Rates



Source: Workplace Information Directorate.

Public and Private Sectors

Wage gains in the public sector were below those in the private sector throughout the 1990's. Since the year 2000, private sector increases have been lower than those in the public sector. Wage adjustments in the **private sector** averaged **1.5 per cent** in 2003, compared to **2.6 per cent** in the previous year. The 1.5 per cent can be attributed in part to the relatively modest wage settlements in the wholesale and retail trade sector and also the wage freeze or cuts in the high profile Air Canada agreements.

* Major settlements are those involving bargaining units of 500 or more employees. All wage rate adjustments over the term of these agreements, including those arising from cost-of-living clauses (COLA), are taken into account. The yield of such COLA clauses is estimated on an assumed 2.0 per cent annual increase in the Consumer Price Index.

Excluding these three Air Canada settlements, average wage adjustments for the remaining agreements in the private sector would increase to 2.0 per cent, from the 1.5 per cent figure. Wage adjustments in the **public sector** averaged **2.9 per cent** in 2003, the same as in the previous year.

Contract Duration

Contract duration averaging 35.4 months in 2003, has returned to its previous levels (above 30 months). The contract duration of 29.4 months in 2002, the shortest since 1994, was due in large part to the signing of the numerous collective agreements in the Quebec public and parapublic sectors, with contract durations of under 12 months, and to a lesser extent, the ratification of many contracts of 12 months duration in the Ontario education sector. Since the early 1990's, average contract duration in the public sector has always been shorter than in the private sector; contract duration in the public sector averaged 32.8 months and in the private sector, 44.3 months.

The Alberta private sector had the longest average contract duration at 66.2 months. The longest average effective term in public sector agreements ratified in 2003 was in New Brunswick, recording average contract duration of 51.2 months. On an industry basis, the longer-term settlements were in the trade industry, averaging 50.7 months and the construction sector followed closely in second place at 44.2 months.

Cost-of-Living Allowances (COLA)

The incidence of COLA clauses increased over last year. In 2002, only 9.3 per cent of new settlements had a COLA clause, whereas in 2003, the figure increased to 15.4 per cent. The incidence of COLA clauses had in fact declined over the years; 32.6 per cent of agreements reached in 1990 contained a COLA clause, but by the year 2000 the figure had dropped to 7.7 per cent.

Distribution of Wage Adjustments

In 2002, only 0.9 per cent of all employees were subject to a wage freeze. There were no wage cuts. In 2003, 10.2 per cent of employees were subject to a wage freeze or cut in nine settlements (of these contracts only two contained wage cuts). The most

Distribution of Agreements and Employees by Range of Wage Adjustments

	Agreements		Employees	
Adjustment Range	Number	Percentage	Number	Percentage
Less than 0%	2	0.6	21,470	3.5
0% (no increase)	7	2.1	41,300	6.7
Over 0% to 0.9%	7	2.1	7,340	1.2
1.0% to 1.9%	29	8.6	74,200	12.0
2.0% to 2.9%	116	34.4	159,430	25.9
3.0% to 3.9%	133	39.5	252,160	40.9
4.0% to 4.9%	35	10.4	51,540	8.4
5.0% to 5.9%	3	0.9	2,310	0.4
6.0% to 6.9%	5	1.5	6,960	1.1
ALL LEVELS	337	100.0	616,710	100.0

Note: Due to rounding, percentages may not always equal 100 per cent.

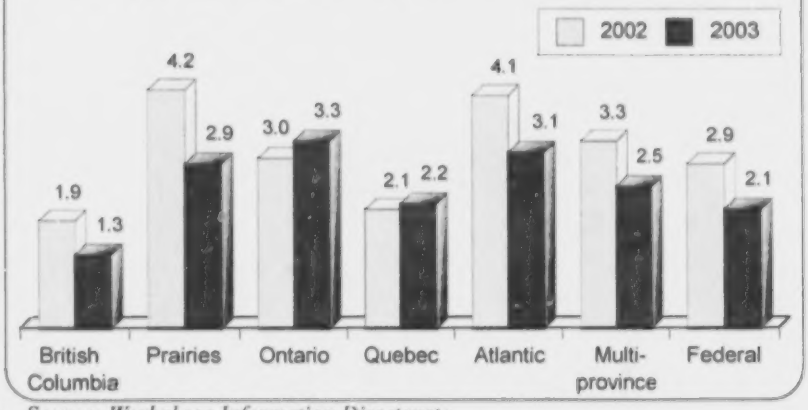
Source: Workplace Information Directorate.

prominent settlements in this group were three Air Canada contracts covering 28,530 employees.

A very large concentration of employees (40.9 per cent) received wage increases in the 3.0 to 3.9 per cent range. Approximately 26 per cent of employees received increases of 2.0 to 2.9 per cent. Just slightly over 13 per cent of employees received increases of 0.1 to 1.9 per cent. Slightly under 10 per cent of employees received wage gains of 4.0 per cent and over.

Chart C

Major Wage Settlements by Region/Jurisdiction
Average Annual Percentage Adjustment in Base Rates



Source: Workplace Information Directorate.

Region/Jurisdiction

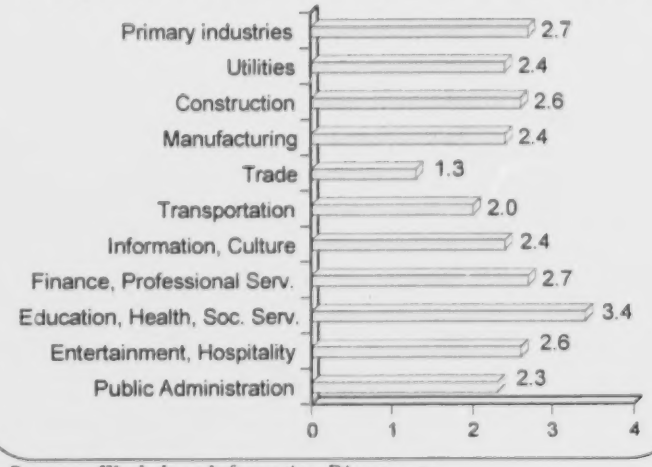
The largest concentration of settlements in 2003 was in **Ontario:** 142 agreements (42.1 per cent of the total) provided 215,270 employees (34.9 per cent of the total) with wage increases averaging **3.3 per cent.** This percentage was the same as that recorded in **Nova Scotia** which was the largest average increase in wages for major settlements within the various Canadian jurisdictions. The smallest average wage figure was recorded in **British Columbia,** at **1.3 per cent.** Wage increases in the **Atlantic Provinces** averaged **3.1 per cent,** in the **Prairie provinces, 2.9 per cent** and in the **Federal jurisdiction, 2.1 per cent.**

Industry

On an industry basis, the largest average wage increase was in **education, health and social services,** at **3.4 per cent.** The second largest wage gains were in **primary industries** and in **finance and professional services,** both at **2.7 per cent.** Settlement levels in all remaining industry groups stood below 2.7 per cent. The smallest average wage increase was reported in **wholesale and retail trade** at **1.3 per cent.**

Chart D

Major Wage Settlements by Industry
Average Annual Percentage Adjustment in Base Rates



Source : Workplace Information Directorate.

Fourth Quarter 2003

- A total of 78 agreements were settled in the **fourth quarter 2003,** providing some 140,030 employees with average base rate increases of **2.1 per cent.**

- When the parties to these settlements previously negotiated, contract duration averaged 38.2 months and the resulting wage adjustments averaged 2.7 per cent, compared to the 2.1 per cent in their current round of settlements and average contract duration of 36.5 months.

- Wage gains in the fourth quarter were lower in the **private sector (1.6 per cent)** than in the **public sector (2.3 per cent).**

- On a **regional/jurisdictional** basis, the largest concentration of employees (37.7 per cent of all employees covered) and the lowest wage adjustments (0.8 per cent average wage increase) were in British Columbia. The largest wage increases were recorded in Alberta (3.5 per cent). Wage adjustments in the fourth quarter were: Atlantic Provinces, 2.6 per cent; Quebec, 2.4 per cent; Ontario, 2.9 per cent; Prairie Provinces, 2.9 per cent; British Columbia, 0.8 per cent; and Federal Jurisdiction, 3.1 per cent.

- On an **industry basis,** wage increases in descending order of magnitude were: finance, 4.0 per cent; education, health, social services 3.6 per cent; construction, 3.3 per cent; utilities, 2.8 per cent; information and culture, 2.8 per cent; manufacturing, 2.6 per cent; entertainment and hospitality, 2.6 per cent; transportation, 2.5 per cent; whole and retail trade, 1.3 per cent; and public administration, 1.3 per cent.

Wage Data for the Year 2003 for Small, Medium and Large Bargaining Units

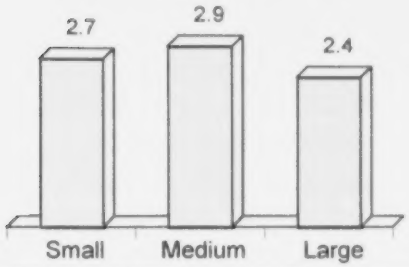
Among the 503 collective bargaining settlements reached in 2003, 166 settlements were in small bargaining units (between 100 and 499 employees), 269 were in medium bargaining units (500 to 1,999 employees), and 68 were in large bargaining units with 2,000 employees and over.

SMALL bargaining units reported an average increase of **2.7 per cent. Public sector** settlements provided an average increase of **3.1 per cent,** higher than the **private sector** wage adjustment of **2.4 per cent.** On an industry basis, the **construction** sector had the highest wage adjustment at **4.8 per cent** while the **transportation** sector reported the lowest average at **2.1 per cent.** On a regional/jurisdictional basis, average increases ranged from a high of **3.5 per cent** in the **Multiprovince** category to a low of **2.0 per cent** in **British Columbia.**

MEDIUM bargaining units reported an average wage increase of **2.9 per cent** in 2003. **Public sector** settlements resulted in an average increase of **3.1 per cent,** compared to the **private sector** figure of **2.4 per cent.** On an industry basis, the **education, health and social services** sector had the highest wage adjustment at **3.2 per cent** while the **wholesale and retail trade** sector reported the lowest average at **2.3 per cent.** On a regional/jurisdictional basis, average increases ranged from a high of **3.4 per cent** in **Ontario** to a low of **2.0 per cent** in **British Columbia.**

Chart E

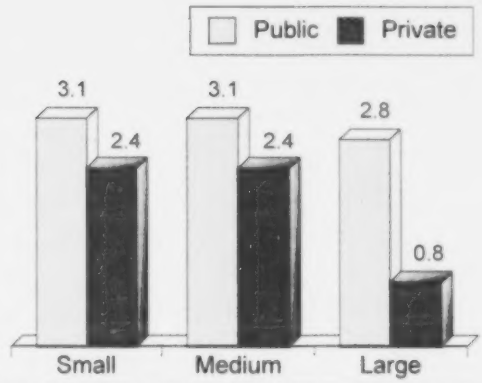
Average Annual Adjustment by Size of Bargaining Units



Source: Workplace Information Directorate.

Chart F

Average Annual Percentage Adjustment by Size of Bargaining Units, by Public/Private Sectors

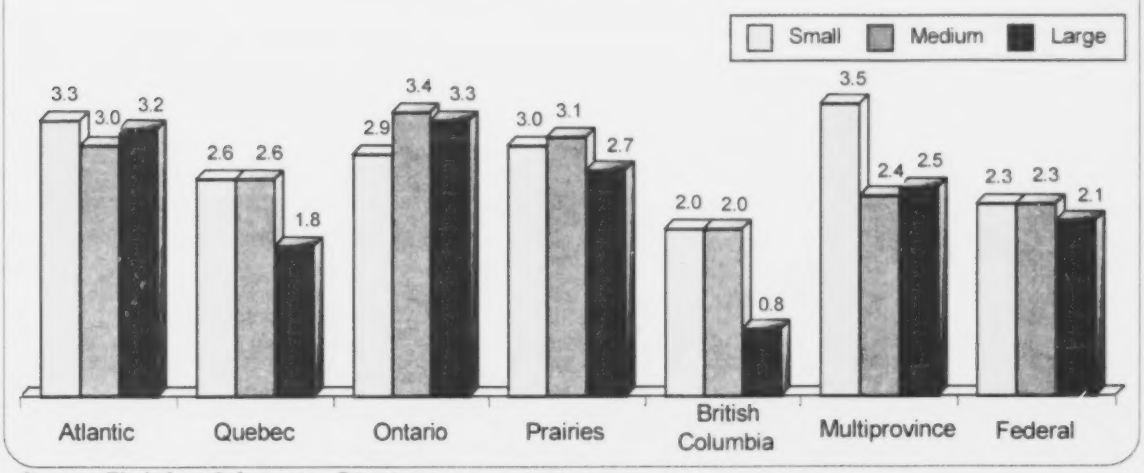


Source: Workplace Information Directorate.

LARGE bargaining units reported a wage increase of **2.4 per cent.** Settlements in the **public sector** resulted in an average increase of **2.8 per cent** compared to **0.8 per cent** in the **private sector.** The wage reductions and wage freeze at Air Canada last June had an effect on the private sector, transportation and federal jurisdiction annual average adjustments. On an industry basis, the **education, health and social services** sector had the highest wage adjustment at **3.6 per cent** while the **wholesale and retail trade** sector reported the lowest increase at **1.1 per cent.** On a regional/jurisdictional basis, average increases ranged from a high of **3.3 per cent** in **Ontario** to a low of **0.8 per cent** in **British Columbia** due to a wage freeze in November for public service employees.

Chart G

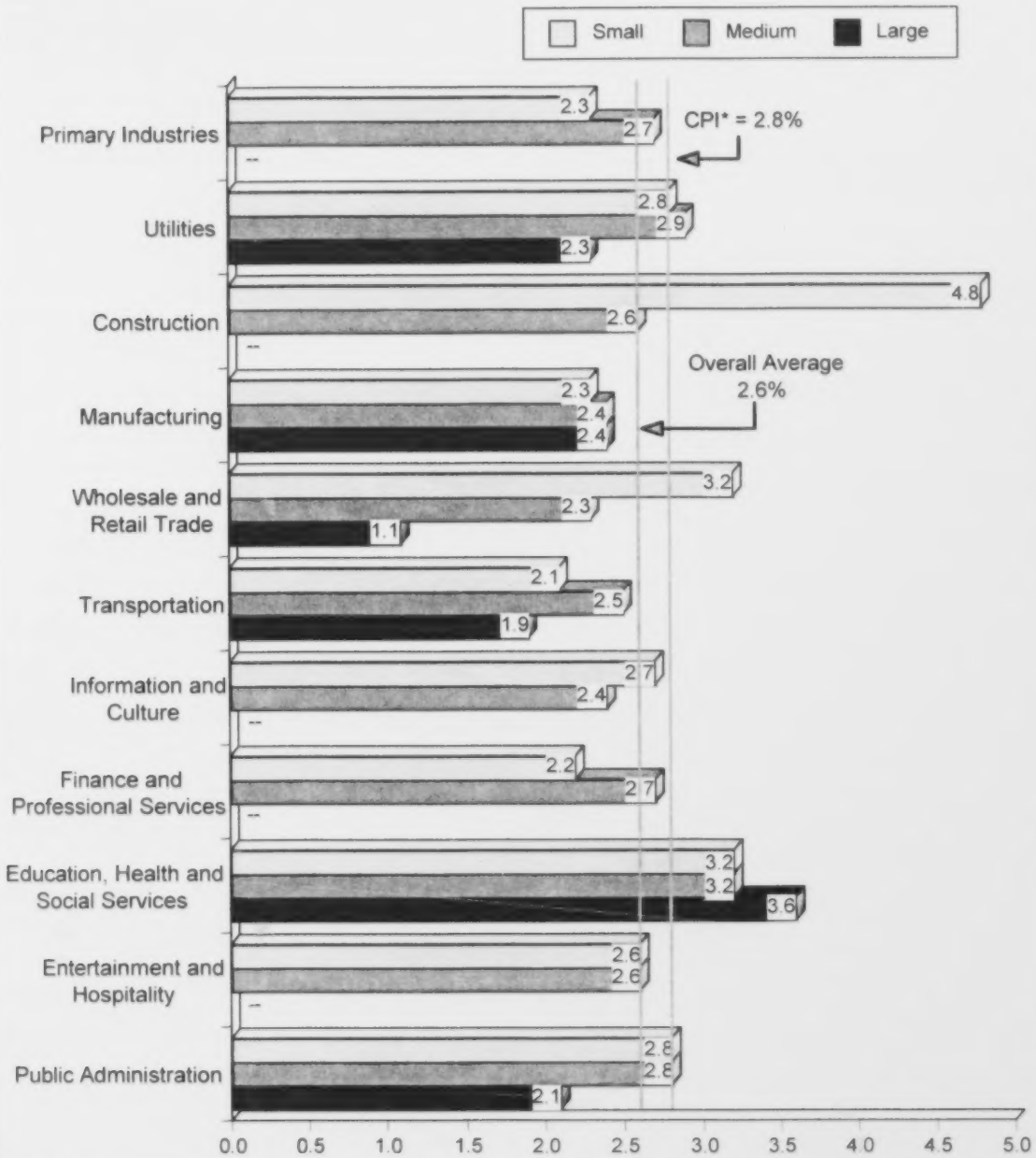
Average Annual Percentage Adjustment by Size of Bargaining Units, by Region/Jurisdiction



Source: Workplace Information Directorate.

Chart H

Average Annual Percentage Adjustment by Size of Bargaining Units, by Industry



* Per cent change from the same period last year.

Source: Workplace Information Directorate.

Major Settlements Reached in the Fourth Quarter 2003

Industry and Employer	No. of Employees	Average Annual Adjustment	First Year Adjustment	Duration (months)	Expiry Date YY-MM-DD
Utilities (2 agreements)	**3,510**	**2.8**	**3.0**	**36.0**	
Manitoba Hydro, office employees, province-wide, Man.	1,030	2.8*	3.0	36.0	2006/03/22
Manitoba Hydro, service and maintenance employees, province-wide, Man.	2,480	2.8*	3.0	36.0	2006/05/31
Construction (2 agreements)	**1,200**	**3.3**	**0.0**	**48.0**	
Moncton Northeast Construction Association Inc., labourers, Moncton and area, N.B.	600	4.0	0.0	48.0	2006/06/30
Moncton Northeast Construction Association Inc., labourers, Moncton and area, N.B.	600	2.6	0.0	48.0	2006/06/30
Manufacturing (8 agreements)	**5,830**	**2.6**	**2.2**	**41.1**	
Aventis, plant and maintenance employees, Toronto, Ont.	590	3.1	3.0	35.0	2006/09/06
I.M.P. Group Limited, plant and maintenance employees, Halifax County, N.S.	500	2.0*	2.0	36.0	2006/03/31
Johnson & Johnson Products Inc., hourly-rated employees, Montréal, Que.	580	2.6	2.5	48.0	2007/04/30
Manac, Division of Le Groupe Canam Manac inc., production employees, St-Georges, Que.	550	3.1	3.0	48.0	2007/04/30
Maple Lodge Farms Ltd., production employees, Norval, Ont.	1,200	2.4	2.3	36.0	2006/10/12
Pepsi-Cola Canada Ltd., plant and maintenance employees, St-Laurent, Que.	500	1.4	0.0	36.0	2006/08/31
Prévost Car inc., plant and maintenance employees, Ste-Claire, Que.	1,200	2.9*	2.3	36.0	2006/06/30
Saputo Boulangerie inc., plant and maintenance employees, Ste-Marie-de-Beauce, Que.	710	2.5*	2.4	60.0	2007/12/31
Wholesale and Retail Trade (7 agreements)	**33,600**	**1.3**	**0.7**	**49.4**	
Canada Safeway Limited, retail employees, province-wide, B.C.	8,000	1.3*	0.0	60.0	2008/03/29
Canada Safeway Limited, retail employees, province-wide, B.C.	2,230	1.3*	0.0	60.0	2008/03/29
Dominion Stores, retail employees, province-wide, Nfld. and Labrador	1,620	2.2	2.2	40.0	2006/12/04
Great Atlantic & Pacific Company of Canada Limited, retail employees, province-wide, Ont.	13,000	1.1	1.5	36.0	2006/09/23
Liquor Control Commission of Manitoba, administrative services employees, province-wide, Man.	550	2.7*	3.0	36.0	2006/03/31
Overwaitea Food Group (Overwaitea Foods and Save-On-Foods), retail employees, province-wide, B.C.	7,500	1.3*	0.0	60.0	2008/03/29
Overwaitea Food Group (Overwaitea Foods and Save-On-Foods), retail employees, province-wide, B.C.	700	1.3*	0.0	60.0	2008/03/29

* Agreement with cost-of-living allowances (COLA) calculated at a projected 2.0 per cent inflation rate.

Industry and Employer	No. of Employees	Average Annual Adjustment	First Year Adjustment	Duration (months)	Expiry Date YY-MM-DD
Transportation (5 agreements)	**8,130**	**2.5**	**2.1**	**40.0**	
BC Rail Ltd., maintenance of way employees, province-wide, B.C.	500	0.0	0.0	36.0	2005/12/31
City of Edmonton, bus drivers, Edmonton, Alta.	1,550	3.3	3.0	36.0	2005/12/24
Coast Mountain Bus Company, bus drivers, Vancouver, B.C.	3,400	2.7	2.7	36.0	2007/03/31
Société de transport de Montréal, mechanics, Montréal, Que.	2,030	2.2	1.2	48.0	2007/01/06
Société de transport de Montréal, office employees, Montréal, Que.	650	2.0	1.0	48.0	2007/01/06
Information and Culture (4 agreements)	**2,770**	**2.8**	**3.0**	**39.9**	
Allstream, telephone operators, Canada-wide	900	2.6	2.5	36.0	2006/12/31
Bravo! CHUM TelevisionInteractive, CityTV, Drive-In Classics, broadcast and TV employees, Toronto, Ont.	650	3.0	4.0	40.0	2006/10/31
Calgary Public Library Board, librarians, Calgary, Alta.	530	3.3	3.0	36.0	2006/03/31
Vancouver Public Library Board, librarians, Vancouver, B.C.	690	2.6*	2.5	48.0	2006/12/31
Finance and Professional Services (2 agreements)	**1,250**	**4.0**	**4.0**	**56.2**	
Atomic Energy of Canada Limited, engineers, Mississauga, Ont.	550	4.0	4.1	36.0	2005/12/31
Les Caisses populaires du Saguenay-Lac-St-Jean, office employees, Saguenay-Lac-St-Jean-Region, Que.	700	4.0	4.0	72.0	2009/08/31
Education, Health and Social Services (28 agreements)	**31,220**	**3.6**	**3.4**	**29.2**	
Avon Maitland District School Board, elementary teachers, Seaforth, Ont.	600	3.7	2.8	36.0	2004/08/31
Avon Maitland District School Board, secondary teachers, Seaforth, Ont.	500	3.7	2.8	36.0	2004/08/31
Board of Trustees of the Calgary Board of Education, building maintenance employees, Calgary, Alta.	620	4.0	4.0	24.0	2005/08/31
Capital Care Group, health service employees, Edmonton, Alta.	600	3.7	5.5	24.0	2005/06/30
Carleton University, professors, Ottawa, Ont.	750	5.2	9.6	36.0	2006/04/30
College Compensation and Appointments Council, support employees, province-wide, Ont.	7,000	3.3	3.0	24.0	2005/08/31
District School Board of Niagara, secondary teachers, St. Catharines, Ont.	950	4.1	4.2	24.0	2004/08/31
Dufferin-Peel Catholic District School Board, plant and maintenance employees, Mississauga, Ont.	710	6.6	6.6	12.0	2004/09/30
Durham District School Board, occasional teachers, Whitby, Ont.	930	4.8	6.8	20.0	2004/08/31

* Agreement with cost-of-living allowances (COLA) calculated at a projected 2.0 per cent inflation rate.

Industry and Employer	No. of Employees	Average Annual Adjustment	First Year Adjustment	Duration (months)	Expiry Date YY-MM-DD
Education, Health and Social Services (continued)					
Government of Manitoba, health and social care professionals, province-wide, Man.	910	2.7*	3.0	36.0	2006/03/17
Government of New Brunswick, educational services employees, province-wide, N.B.	730	2.5	3.0	60.0	2007/04/30
Grand Erie District School Board, secondary teachers, Brantford, Ont.	800	4.0	4.0	12.0	2004/08/31
Greater Essex County District School Board, secondary teachers, Windsor, Ont.	730	3.4	2.0	36.0	2004/08/31
Halton District School Board, elementary teachers, Burlington, Ont.	1,550	3.9	3.0	24.0	2004/08/31
Health Authorities of Prince Edward Island, health and social care professionals, province-wide, P.E.I.	1,700	3.0	3.2	36.0	2006/03/31
Kawartha Pine Ridge District School Board, occasional teachers, Peterborough, Ont.	570	6.9	0.0	24.0	2004/08/31
Kawartha Pine Ridge District School Board, secondary teachers, Peterborough, Ont.	890	3.5	2.4	36.0	2004/08/31
Lambton Kent District School Board, secondary teachers, Sarnia, Ont.	640	4.1	4.1	24.0	2004/08/31
Limestone District School Board, secondary teachers, Kingston, Ont.	660	3.5	2.4	36.0	2004/08/31
McGill University, office employees, Montréal, Que.	1,450	2.0	2.0	60.0	2007/11/30
Ottawa-Carleton Catholic District School Board, office employees, Nepean, Ont.	620	3.0	3.0	24.0	2005/08/31
Thames Valley District School Board, occasional teachers, London, Ont.	1,200	4.1	3.5	24.0	2004/08/31
Thames Valley District School Board, occasional teachers, London, Ont.	640	3.9	6.7	24.0	2004/08/31
Toronto Catholic District School Board, occasional teachers, Toronto, Ont.	1,100	3.0	3.0	24.0	2004/08/31
Toronto District School Board, occasional teachers, Toronto, Ont.	1,600	3.0	3.0	24.0	2004/08/31
Upper Grand District School Board, elementary teachers, Guelph, Ont.	1,360	4.2	4.2	24.0	2004/08/31
Upper Grand District School Board, secondary teachers, Guelph, Ont.	710	3.5	2.2	36.0	2004/08/31
Waterloo Region District School Board, occasional teachers, Kitchener, Ont.	700	3.9	0.0	48.0	2004/08/31
Entertainment and Hospitality (2 agreements)	**1,600**	**2.6**	**2.7**	**48.0**	
Resto-Casino Inc. (Casino de Montréal), hotel and restaurant employees, Montréal, Que.	600	2.5	2.5	48.0	2007/03/31
Société des casinos du Québec inc., casino employees, Montréal, Que.	1,000	2.7	2.8	48.0	2007/03/31

* Agreement with cost-of-living allowances (COLA) calculated at a projected 2.0 per cent inflation rate.

Industry and Employer	No. of Employees	Average Annual Adjustment	First Year Adjustment	Duration (months)	Expiry Date YY-MM-DD
Public Administration (18 agreements)	**50,920**	**1.3**	**1.3**	**30.2**	
Alberta Treasury Branches, administrative services employees, province-wide, Alta.	1,600	3.5	3.5	24.0	2005/03/31
British Columbia Assessment Authority, office employees, province-wide, B.C.	590	0.0	0.0	24.0	2005/12/31
City of Hamilton, firefighters, Hamilton, Ont.	500	3.6	3.9	36.0	2005/12/31
City of Surrey, inside and outside employees, Surrey, B.C.	1,200	2.6*	2.5	48.0	2006/12/31
City of Toronto, firefighters, Toronto, Ont.	3,000	3.5	3.5	24.0	2003/12/31
City of Vancouver, outside employees, Vancouver, B.C.	1,430	2.6*	2.5	48.0	2006/12/31
Government of British Columbia, all categories, province-wide, B.C.	26,550	0.0	0.0	24.0	2006/03/31
Government of Manitoba, administrative services employees, province-wide, Man.	1,360	2.7*	3.0	36.0	2006/03/17
Government of Manitoba, correctional officers, province-wide, Man.	1,130	2.7*	3.0	36.0	2006/03/17
Government of Manitoba, general tradesmen (non-construction), province-wide, Man.	1,930	2.7*	3.0	36.0	2006/03/17
Government of Manitoba, office employees, province-wide, Man.	2,780	2.7*	3.0	36.0	2006/03/17
Government of Manitoba, scientific and other professionals, province-wide, Man.	1,240	2.7*	3.0	36.0	2006/03/17
Government of Manitoba, scientific and other professionals, province-wide, Man.	1,080	2.7*	3.0	36.0	2006/03/17
Government of Manitoba, social science employees, province-wide, Man.	1,670	2.7*	3.0	36.0	2006/03/17
Government of New Brunswick, health service employees, province-wide, N.B.	530	2.0	2.0	54.0	2007/06/15
Government of Yukon, all categories, Whitehorse, Y.T.	2,800	2.5	2.0	48.0	2006/12/31
Niagara Regional Police Services Board, police officers, Niagara Region, Ont.	610	3.7	3.8	36.0	2005/12/31
Ville de Longueuil, inside employees, Longueuil, Que.	920	1.6	1.0	48.0	2006/12/31
Agreements with COLA (21 agreements)	**40,320**	**2.1***	**1.5**	**48.4**	
Agreements without COLA (57 agreements)	**99,710**	**2.1**	**2.0**	**31.7**	
All Agreements (78 agreements)	**140,030**	**2.1**	**1.8**	**36.5**	

* Agreement with cost-of-living allowances (COLA) calculated at a projected 2.0 per cent inflation rate.

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Table 1

Major Wage Settlements—All Sectors by Year and Quarter

	Number of Agreements	Number of Employees	Duration in Months	% Wage Adjustment
YEAR				
1984	559	1,156,230	21.1	3.6
1985	516	838,620	24.5	3.7
1986	553	1,121,456	25.6	3.4
1987	478	1,111,330	29.9	4.0
1988	542	1,182,742	25.3	4.4
1989	453	1,001,786	29.6	5.2
1990	507	1,146,353	28.4	5.6
1991	547	1,345,643	18.2	3.6
1992	496	1,306,765	24.3	2.1
1993	518	1,412,471	23.9	0.7
1994	434	942,583	28.4	0.3
1995	402	908,803	32.8	0.9
1996	378	810,415	32.6	0.9
1997	379	692,219	33.9	1.5
1998	412	938,310	31.9	1.7
1999	379	828,140	36.0	2.2
2000	406	1,081,270	34.8	2.5
2001	428	992,630	33.4	3.2
2002	368	985,930	29.0	2.8
2003	337	616,710	35.4	2.6
QUARTER				
2003 I	86	107,010	31.7	2.7
II	126	233,430	32.5	2.5
III	47	136,240	42.3	3.1
IV	78	140,030	36.5	2.1

Table 2

Major Wage Settlements—Public and Private Sectors by Year and Quarter

	Public Sector				Private Sector			
	Number of Agreements	Number of Employees	Duration in Months	% Wage Adjusment	Number of Agreements	Number of Employees	Duration in Months	% Wage Adjusment
YEAR								
1984	276	635,190	17.0	3.9	283	521,040	26.1	3.2
1985	316	566,785	21.7	3.8	200	271,835	30.1	3.3
1986	321	709,241	25.3	3.6	232	412,215	26.0	3.0
1987	270	824,298	29.4	4.1	208	287,032	31.4	3.8
1988	301	698,603	24.0	4.0	241	484,139	27.2	5.0
1989	294	736,003	30.0	5.2	159	265,783	28.6	5.2
1990	283	677,830	27.4	5.6	224	468,523	29.7	5.7
1991	365	1,121,668	16.0	3.4	182	223,975	29.2	4.4
1992	301	975,874	21.7	2.0	195	330,891	32.2	2.6
1993	347	1,012,003	23.4	0.6	171	400,468	25.2	0.8
1994	299	719,824	26.5	0.0	135	222,759	34.5	1.2
1995	215	629,625	31.5	0.6	187	279,178	35.9	1.4
1996	212	564,293	31.7	0.5	166	246,122	34.7	1.7
1997	220	370,325	30.3	1.1	159	321,894	38.1	1.8
1998	221	646,270	31.1	1.6	191	292,040	33.7	1.8
1999	219	510,590	35.0	2.0	160	317,550	37.6	2.7
2000	303	917,990	33.5	2.5	103	163,280	41.8	2.4
2001	259	691,930	31.9	3.3	169	300,700	36.7	3.0
2002	259	771,830	26.0	2.9	109	214,100	39.9	2.6
2003	249	474,600	32.8	2.9	88	142,110	44.3	1.5
QUARTER								
2003 I	62	80,550	28.7	2.9	24	26,460	40.8	2.4
II	95	175,260	29.3	3.1	31	58,170	42.2	0.7
III	34	121,690	41.7	3.2	13	14,550	47.5	2.3
IV	58	97,100	31.3	2.3	20	42,930	48.3	1.6

Table 3

Wage Adjustment—All Sectors
Region/Jurisdiction by Year and Quarter

	2002	2003	2003			
			1	2	3	4
	%	%	%	%	%	%
Canada	2.8	2.6	2.7	2.5	3.1	2.1
Atlantic	4.1	3.1	3.1	3.5	4.2	2.6
Newfoundland and Labrador	6.6	3.1	3.0	-	5.0	2.2
Prince Edward Island	4.9	3.2	3.6	-	-	3.0
Nova Scotia	2.4	3.3	3.4	3.1	3.3	2.0
New Brunswick	2.7	2.7	2.3	3.8	-	2.8
Quebec	2.1	2.2	1.7	2.4	1.9	2.4
Ontario	3.0	3.3	3.0	3.5	3.7	2.9
Prairies	4.2	2.9	3.4	2.3	3.5	2.9
Manitoba	4.0	2.8	3.1	2.0	3.8	2.7
Saskatchewan	3.9	3.0	3.6	2.6	3.1	-
Alberta	4.5	3.0	3.5	2.4	3.3	3.5
British Columbia	1.9	1.3	2.3	1.5	2.5	0.8
Territories	3.0	2.5	-	2.5	-	2.5
Multiprovince	4.3	2.4	-	2.8	1.8	-
Federal	2.9	2.1	2.1	0.8	3.1	3.1

Table 4

Wage Adjustment—Public and Private Sectors
Region/Jurisdiction by Year and Quarter

	2002	2003	2003			
			1	2	3	4
	%	%	%	%	%	%
PUBLIC SECTOR						
Canada	2.9	2.9	2.9	3.1	3.2	2.3
Atlantic	4.3	3.2	3.2	-	4.2	2.7
Newfoundland and Labrador	7.2	4.5	4.0	-	5.0	-
Prince Edward Island	4.9	3.0	-	-	-	3.0
Nova Scotia	2.3	3.4	3.4	-	3.3	-
New Brunswick	3.0	2.3	2.3	-	-	2.3
Quebec	2.0	2.0	1.4	2.3	1.8	2.1
Ontario	2.9	3.6	3.1	3.6	4.0	3.8
Prairies	4.8	3.2	3.3	3.3	3.5	2.9
Manitoba	4.6	3.0	3.1	3.0	3.8	2.7
Saskatchewan	4.4	3.4	3.6	-	3.1	-
Alberta	5.2	3.4	3.5	3.4	3.3	3.5
British Columbia	2.2	1.2	2.3	1.5	2.9	0.5
Territories	3.0	2.5	-	2.5	-	2.5
Multiprovince	-	-	-	-	-	-
Federal	2.9	3.0	2.8	2.6	3.2	4.0
PRIVATE SECTOR						
Canada	2.6	1.5	2.4	0.7	2.3	1.6
Atlantic	2.7	2.8	2.8	3.5	-	2.6
Newfoundland and Labrador	3.0	2.5	2.7	-	-	2.2
Prince Edward Island	-	3.6	3.6	-	-	-
Nova Scotia	4.0	2.7	-	3.1	-	2.0
New Brunswick	1.4	3.5	-	3.8	-	3.3
Quebec	2.5	2.6	2.2	2.9	2.7	2.8
Ontario	3.2	2.0	2.7	2.4	2.3	1.3
Prairies	1.5	1.2	3.8	1.1	-	-
Manitoba	1.3	0.3	-	0.3	-	-
Saskatchewan	1.6	2.6	-	2.6	-	-
Alberta	1.6	1.4	3.8	1.1	-	-
British Columbia	1.4	1.4	-	1.7	2.0	1.3
Territories	-	-	-	-	-	-
Multiprovince	4.3	2.4	-	2.8	1.8	-
Federal	2.8	0.4	1.8	-0.4	2.5	2.8

Table 5

Major Wage Settlements—Industry Division by Year and Quarter

	2002	2003	2003			
			1	2	3	4
All Industries						
Number of Agreements	366	337	86	126	47	78
Number of Employees	993,360	616,710	107,010	233,430	136,240	140,030
Duration in Months	29.4	35.4	31.7	32.5	42.3	36.5
% Wage Adjustment	2.8	2.6	2.7	2.5	3.1	2.1
Primary Industries						
Number of Agreements	3	2	1	1	-	-
Number of Employees	1,880	1,410	680	730	-	-
Duration in Months	36.5	36.0	36.0	36.0	-	-
% Wage Adjustment	2.1	2.7	1.5	3.8	-	-
Utilities						
Number of Agreements	15	12	2	7	1	2.0
Number of Employees	19,130	25,310	1,630	19,620	550	3,510.0
Duration in Months	33.0	32.7	24.0	32.8	36.0	36.0
% Wage Adjustment	2.4	2.4	3.9	2.2	2.8	2.8
Construction						
Number of Agreements	12	5.0	-	2	1	2
Number of Employees	23,660	3,110	-	1,110	800	1,200
Duration in Months	47.4	44.2	-	37.4	48.0	48.0
% Wage Adjustment	1.2	2.6	-	2.4	1.8	3.3
Manufacturing						
Number of Agreements	49	40	13	13	6	8
Number of Employees	91,680	37,040	13,520	10,900	6,790	5,830
Duration in Months	38.5	40.8	36.2	43.5	45.5	41.1
% Wage Adjustment	3.5	2.4	2.4	2.4	2.3	2.6
Wholesale and Retail Trade						
Number of Agreements	19	15	-	6	2	7
Number of Employees	51,720	47,230	-	12,280	1,350	33,600
Duration in Months	45.2	50.7	-	53.1	60.6	49.4
% Wage Adjustment	1.8	1.3	-	1.0	3.0	1.3

Table 5 (continued)

Major Wage Settlements—Industry Division by Year and Quarter

	2002	2003	2003 1	2003 2	2003 3	2003 4
Transportation						
Number of Agreements	12	23	7	5	6	5
Number of Employees	29,580	111,400	9,080	37,110	57,080	8,130
Duration in Months	32.4	44.1	43.6	39.6	47.6	40.0
% Wage Adjustment	2.9	2.0	2.5	0.3	2.9	2.5
Information and Culture						
Number of Agreements	8	11	3	3	1	4
Number of Employees	23,160	11,140	4,120	3,550	700	2,770
Duration in Months	34.6	39.6	40	42.1	24.0	39.9
% Wage Adjustment	3.0	2.4	1.4	2.9	3.0	2.8
Finance and Professional Services						
Number of Agreements	8	7	1	2	2	2
Number of Employees	12,560	6,180	1,180	1,320	2,430	1,250
Duration in Months	55.2	38.7	36.0	41.3	29.7	56.2
% Wage Adjustment	2.1	2.7	2.6	2.0	2.5	4.0
Education, Health and Social Services						
Number of Agreements	172	165	49	76	12	28
Number of Employees	498,220	235,620	67,100	113,060	24,240	31,220
Duration in Months	23.4	26.4	28.3	24.8	24.8	29.2
% Wage Adjustment	3.0	3.4	2.9	3.4	4.3	3.6
Entertainment and Hospitality						
Number of Agreements	12	8	4	1	1	2
Number of Employees	10,400	7,270	3,910	520	1,240	1,600
Duration in Months	43.6	42.2	38.8	36.0	48.0	48.0
% Wage Adjustment	2.5	2.6	2.8	3.3	1.8	2.6
Public Administration						
Number of Agreements	56	49	6	10	15	18
Number of Employees	231,370	131,000	5,790	33,230	41,060	50,920
Duration in Months	30.1	36.7	31.9	37.5	44.9	30.2
% Wage Adjustment	2.6	2.3	2.7	2.8	3.0	1.3

Table 6

Major Wage Settlements—Public Sector Breakdown by Year and Quarter

	2002	2003	2003 1	2003 2	2003 3	2003 4
Federal Administration						
Number of Agreements	11	4	-	1	3	-
Number of Employees	54,800	20,650	-	10,500	10,150	-
Duration in Months	34.6	33.2	-	32.0	34.5	-
% Wage Adjustment	2.9	3.1	-	2.4	3.8	-
Federal Crown Corporations						
Number of Agreements	4	7	1.0	2	2	2
Number of Employees	5,390	60,650	1,770	8,030	48,700	2,150
Duration in Months	36.3	45.3	9.0	43.8	47.7	27.1
% Wage Adjustment	2.7	3.0	2.5	2.9	3.0	3.6
Provincial Administration						
Number of Agreements	24	24	7	3	-	14
Number of Employees	135,570	62,730	10,640	8,380	-	43,710
Duration in Months	27.0	31.4	35.4	35.0	-	29.8
% Wage Adjustment	2.3	1.6	2.8	3.8	-	1.0
Local Administration						
Number of Agreements	31	40	5	9	16	10
Number of Employees	62,230	76,840	5,760	17,740	38,050	15,290
Duration in Months	35.0	43.0	34.7	41.5	46.8	38.5
% Wage Adjustment	3.0	2.7	2.9	2.7	2.6	2.8
Education, Health and Welfare						
Number of Agreements	173	165	48	75	12	30
Number of Employees	497,890	230,640	61,600	112,360	24,240	32,440
Duration in Months	23.5	26.3	27.6	24.9	24.8	29.7
% Wage Adjustment	3.0	3.4	2.9	3.4	4.3	3.6
Public Utilities						
Number of Agreements	11	9	1	5	1	2
Number of Employees	11,780	23,090	780	18,250	550	3,510
Duration in Months	32.6	34.0	24.0	34.0	36.0	36.0
% Wage Adjustment	3.1	2.3	4.0	2.2	2.8	2.8

Table 7

Selected Economic Indicators by Year and Quarter

	2002	2003	2003 1	2003 2	2003 3	2003 4
Wage Adjustment (%)						
Ratified Agreements	2.8	2.6	2.7	2.5	3.1	2.1
Public Sector	2.9	2.9	2.9	3.1	3.2	2.3
Private Sector	2.6	1.5	2.4	0.7	2.3	1.6
Wage Adjustment (%)						
Agreements in Force	3.0	2.6	2.6	2.7	2.5	2.4
Public Sector	3.2	2.7	2.7	2.8	2.7	2.5
Private Sector	2.6	2.4	2.6	2.5	2.3	2.2
†**Consumer Price Index**						
Percentage Change[1]	2.2	2.8	4.5	2.8	2.1	1.7
†**GDP[2] at Basic Prices[3]**						
Percentage Change[1]	3.2	2.1	3.4	1.8	1.3	1.9
‡**Labour Productivity Growth (%)**	1.0	-0.4	-0.6	-0.8	-0.4	-0.1
‡**Unit Labour Cost (%)**	1.5	1.6	2.2	2.3	1.9	0.5
†**Unemployement Rate[3] (%)**	7.7	7.6	7.4	7.7	7.9	7.5
†**Employment[3] (000's)**	15,412	15,746	15,689	15,700	15,733	15,875
Percentage Change[1]	2.2	2.2	3.2	2.3	1.5	1.8
†**Average Weekly Earnings[3]**	$681.02	$689.36	$686.19	$687.73	$689.45	$694.07
Percentage Change[1]	2.0	1.2	1.5	1.3	1.1	1.0
†**Average Hourly Earnings**	$17.09	$17.19	$17.04	$17.14	$17.21	$17.38
Percentage Change[1]	1.8	0.6	-0.6	0.1	0.9	2.1

[1] Percentage change from the same period of the previous year.

[2] GDP—Gross domestic product at factor cost (1997) prices.

[3] Seasonally adjusted data.

† Statistics Canada.

‡ Department of Finance Canada.

TECHNICAL NOTES

The information in this report is produced from collective agreement settlements in Canada which cover 500 or more employees in all industries. A few settlements are excluded where the basis of payment is on a piece/mileage rate basis.

The construction industry is excluded prior to 1983.

The Base Rate

The base rate is the lowest paid classification used for qualified employees in the bargaining unit. In most instances, the base rate is the rate of pay for an unskilled or semi-skilled classification of workers. However, this is not the case in contracts covering only skilled workers and professional employees.

As only the base rate in a contract is used, the resulting data on percentage change do not necessarily reflect the average wage change for all employees in the bargaining unit. For example, where an across-the-board increase is negotiated for all classifications in cents per hour (or other money terms), measurement on the base rate produces higher results than measurement on any higher rate, including the average rate. Where varying percentage or money increases are negotiated for different classifications, measurement on the base rate may produce results that are higher or lower than measurement on the average rate. Where an across-the-board increase is negotiated for all classifications in percentage terms, measurement on the base rate produces results identical to measurement on any other rate, including the average rate. It should be noted that information on the average rate for all employees in a bargaining unit is not available.

Effective Wage Increase

The effective wage increase is the increase in rates of pay including estimated **cost-of-living allowance (COLA)** payments. Estimates of the yield of COLA clauses are obtained by quantifying the characteristics of these clauses in each agreement and applying a combination of actual Consumer Price Index (CPI) increases available to date plus a specified projected inflation rate for the remainder of the contract duration. In succeeding quarters, these estimates are revised using actual CPI values as they become available.

In the current report, an **inflation projection of 2.0 per cent** has been used when the actual rate is unknown. This figure is based on a rounded average of inflation forecasts and is intended for illustrative purposes only and does not constitute an official forecast by Human Resources and Skills Development Canada. The use of different inflation rate scenarios could result in varying settlement increases. The inflation projection used will be revised periodically to reflect prevailing economic conditions.

By including reasonable estimates of future payments under COLA clauses, the effective wage increase concept facilitates an accurate comparison of agreements with and without COLA and permits the aggregation of all agreements to yield an improved measure of wage settlements.

Public and Private Sectors

The principal unit of observation is the collective bargaining unit; however, the designation for inclusion in the public sector is by reference to characteristics of the employer with whom a bargaining unit negotiates. Reference to the employer characteristics makes the directives consistent with Statistics Canada's use of "institutional units" or "entities."

While the criteria relate to the classification of the public sector only, *the private sector is defined by exclusion*.

Public sector bargaining units negotiate wages or other working conditions with an employer who is part of, or an agent of, a government or a government business enterprise. The distinction between the two

is whether the activity engaged in is "non-commercial" (Government) or "commercial" (Government Business Enterprise).

Government (Non-Commercial)

The government component comprises all non-commercial entities controlled by governments and mainly financed out of general taxation or other public funds. These entities provide goods and/or services free or at non-market prices (not having a view to profit).

Sub-sectors of the government component are identified below:

(1) Federal Government

Collective bargaining in the federal government component is conducted under the *Public Service Staff Relations Act* (Parts 1 and 2), and the *Parliamentary Employment and Staff Relations Act*.

(2) Provincial and territorial governments

(a) provincial and territorial government administration;
(b) health, education and social services agencies or institutions:
  (i) public hospitals,
  (ii) provincial residential care facilities,
  (iii) universities,
  (iv) colleges, vocational and trade institutions,
  (v) social services business enterprise,
  (vi) provincial elementary and secondary schools.

(3) Local Government Administration

(a) local government organizations such as: municipalities, boards, commissions;
(b) school boards;
(c) social services: establishments at the local level primarily engaged in providing basic domiciliary care only, such as homes for the aged, blind or senile, boarding houses for the aged, day nurseries, shelters, etc.

Government Business Enterprise (Commercial)

The commercial component of the public sector is divided into three broad sub-groupings, based on degree of governmental control, as follows:

(1) Direct Control

A commercial enterprise is directly controlled by a government if one of the following conditions is met:

(a) a government holds more than 50 per cent of its voting equity, directly;
(b) a government has irrevocable options or the right to acquire shares, or convertible debt or equity, exercisable at the discretion of that government.

(2) Effective Control

A commercial enterprise is effectively controlled by a government if one of the following conditions is met:

(a) the government holds a significant voting ownership in a public enterprise, where "significant" is understood as:
  (i) the holding is the largest block of voting equity; and
  (ii) the holding exceeds 33.3 per cent of the voting equity; and
  (iii) the block is larger than the combined percentage of the next two largest blocks;
(b) the commercial enterprise declares that it is effectively controlled by a government;
(c) there exists a method or variety of methods (e.g. significant voting ownership of the enterprise, technological agreements, supply controls or contracts, management contracts, interlocking directorships, etc.)

(3) Indirect Control

A business enterprise is indirectly controlled by a government if that government directly or effectively controls a government business enterprise, which in turn directly or effectively controls that enterprise.

WORK STOPPAGES

Workplace Information Directorate
Labour Program

Fourth Quarter 2003 (500 or More Employees)

There were seven work stoppages involving 500 or more employees during the fourth quarter of 2003 in Canada. Three major work stoppages accounted for 86 per cent of person-days not worked. The strike involving Forest Industrial Relations Limited and Industrial Wood and Allied Workers of Canada (151,750 person-days not worked) represented 70 per cent of person-days not worked. The second largest work stoppage, between Amalco Foods, Dominion Stores Division, and the Canadian Auto Workers involved 1,610 employees and represented 20,800 person-days not worked, 10 per cent of the total. Finally, the work stoppage between Maple Lodge Farms Ltd. and the United Food and Commercial Workers International Union involving 1,180 employees represented 13,490 person-days not worked, approximately 6.0 per cent of the total person-days not worked in the fourth quarter.

Table 1
Major Work Stoppages—Fourth Quarter 2003

By Jurisdiction

Jurisdiction	Stoppages	Employees Involved	Person-Days Not Worked
Nfld. and Labrador	1	1,610	20,800
Prince Edward Island	-	-	-
Nova Scotia	-	-	-
New Brunswick	-	-	-
Quebec	1	4,000	4,000
Ontario	2	1,755	18,090
Manitoba	-	-	-
Saskatchewan	-	-	-
Alberta	-	-	-
British Columbia	2	12,000	163,750
Territories	-	-	-
Multiprovince	-	-	-
Total Provinces	**6**	**19,365**	**206,640**
Canada Labour Code—Part I	1	550	10,450
Federal Administration	-	-	-
Federal Total	**1**	**550**	**10,450**
Total	**7**	**19,915**	**217,090**

By Industry

Industries	Stoppages	Employees Involved	Person-Days Not Worked
Primary Industries	-	-	-
Utilities	-	-	-
Construction	-	-	-
Manufacturing	2	10,180	165,240
Wholesale and Retail Trade	1	1,610	20,800
Transportation	1	3,000	12,000
Information and Culture	-	-	-
Finance and Professional Services	1	550	10,450
Education, Health and Social Services	2	4,575	8,600
Entertainment and Hospitality	-	-	-
Public Administration	-	-	-
Various Industries	-	-	-
Total	**7**	**19,915**	**217,090**

Source : Workplace Information Directorate.

Third Quarter 2003 (One or More Employees)

Table 2
All Work Stoppages—Third Quarter 2003
Cumulative to September 30, 2003

By Jurisdiction

Jurisdiction	Stoppages	Employees Involved	Person-Days Not Worked
Nfld. and Labrador	3	250	2,870
Prince Edward Island	1	5	544
Nova Scotia	3	590	14,995
New Brunswick	2	263	340
Quebec	90	16,271	598,780
Ontario	80	21,457	456,820
Manitoba	7	1,384	12,130
Saskatchewan	3	124	2,545
Alberta	2	95	2,050
British Columbia	7	9,326	75,370
Territories	-	-	-
Multiprovince	-	-	-
Total Provinces	**198**	**49,765**	**1,166,444**
Canada Labour Code—Part I	20	6,346	227,025
Federal Administration	1	35	70
Federal Total	**21**	**6,381**	**227,095**
Total	**219**	**56,146**	**1,393,539**

By Industry

Industries	Stoppages	Employees Involved	Person-Days Not Worked
Primary Industries	10	4,438	245,600
Utilities	1	37	790
Construction	-	-	-
Manufacturing	79	11,784	403,310
Wholesale and Retail Trade	25	7,925	211,195
Transportation	16	3,230	34,080
Information and Culture	9	2,459	182,575
Finance and Professional Services	8	801	14,710
Education, Health and Social Services	38	22,367	261,629
Entertainment and Hospitality	20	2,228	29,690
Public Administration	13	877	9,960
Various Industries	-	-	-
Total	**219**	**56,146**	**1,393,539**

Source : Workplace Information Directorate.

*A weekly listing of **major work stoppages in Canada** and a **full chronological perspective** are available on the Workplace Information Directorate Website at*

http://www.hrsdc.gc.ca, *click on:*
(1) Labour and Workplace,
(2) Collective Bargaining,
(3) Work Stoppages in Canada.

All Work Stoppages

Table 3
A Chronological Perspective of All Work Stoppages

Period	Number Beginning Month or Year	In Existence During Year or Month[1]			Percentage of Estimated Working Time
		Total Number	Employees Involved	Person-Days Not Worked	
1994	312	374	80,856	1,606,580	0.06
1995	282	328	149,159	1,583,070	0.05
1996	297	330	281,438	3,351,240	0.11
1997	229	284	257,664	3,610,210	0.12
1998	341	381	244,402	2,443,870	0.08
1999	358	413	158,415	2,442,580	0.08
2000	321	379	143,456	1,656,790	0.05
2001	324	381	220,499	2,198,870	0.07
2002	251	294	167,945	3,028,423	0.09
2003*	174	219	56,146	1,393,539	0.05
* Year-to-date					
2002					
September	19	65	16,228	166,959	0.06
October	31	80	17,260	199,200	0.07
November	17	72	12,129	145,104	0.05
December	12	57	10,790	134,205	0.05
2003					
January	9	54	11,539	142,080	0.05
February	16	48	15,722	142,660	0.05
March	26	62	15,134	188,580	0.07
April	27	66	11,969	173,477	0.06
May	20	59	15,960	144,900	0.05
June	22	60	13,757	163,807	0.05
July	18	61	9,771	179,185	0.06
August	15	51	14,022	158,080	0.05
September	21	62	10,428	100,770	0.03

[1] Refers to work stoppages which began during the year or month as well as those carried over from the previous year or month.

Source : Workplace Information Directorate.

TECHNICAL NOTES

Data on work stoppages collected by the Workplace Information Directorate of the Labour Program covers strikes and lockouts which amount to 10 or more person-days lost.

A strike is a concerted work stoppage by a group of employees which is done in order to bring about a change in an employer's position, and it occurs during the negotiating process. A legal strike is one that respects all the conditions mandated by law, most notably that the strike is taking place during negotiations. A lockout occurs when work is suspended by the employer or a group of employers in order to pressure employees to change their position, and a lockout must also occur during the negotiating process.

Developments leading to work stoppages are sometimes too complex to make it practicable to distinguish between strikes on the one hand and lockouts on the other.

The major characteristics of work stoppages on which information is gathered are:

Employer—Firm or firms employing the employees reported on strike or locked out.

Location—Location of the plant or premises at which the work stoppage occurred.

Industry—Industry of employer according to the North American Industry Classification System (1997).

Union—The workers' organization(s) directly involved or concerned in the dispute that led to work stoppage.

Workers Involved—The total number, or approximate total number, of employees reported on strike or locked out, whether or not they all belonged to the union. Where the number of employees involved varied in the course of the stoppage, the maximum number is used in tabulating annual or other totals. (Where a stoppage commenced in a previous year, the maximum number during the whole stoppage is the number used). Monthly totals are similarly based on the highest figures but allowance is made for changes reported in stoppages extending over two or more months. The total number of employees shown may include the same employees more than once if they are involved in more than one work stoppage during the year (or other reference period). Employees indirectly affected, such as those laid off as a result of a work stoppage, are not included in the data on employees involved.

Starting Date—The day on which the work stoppage began.

Termination Date—The termination date is the day on which work was resumed. Some work stoppages are never formally settled, and this presents statistical difficulties. In such a case, the stoppage is usually considered terminated for statistical purposes, at the date by which it was established that two-thirds or more of the employees involved had either returned to work, or had found work with other employers; or the date by which it was reported that the operations affected by the work stoppage would not be resumed.

Duration – The duration of each stoppage is calculated in terms of working days, including the starting date and all subsequent normal working days up to the termination date. The days counted as working days are those on which the establishment involved would normally be in operation (five days per week).

Duration in Person-Days—Duration in working days multiplied by the number of employees involved. For work stoppages involving establishments in which the number of weekly working days

(see Duration above) exceeds the work week of individual employees, the duration in person-days is adjusted by the appropriate ratio. The data on duration of work stoppages in person-days are provided to facilitate comparisons of work stoppages in terms of a common denominator; they are not intended as a measure of the loss of production time to the economy. The expression "time loss" is occasionally used instead of "duration in person-days." The term most commonly used is person-days not worked due to the duration in person-days of all work stoppages in a year is also shown as a percentage of estimated working time based on estimates of the number of non-agricultural paid employees in Canada obtained from the *Labour Force Survey* of Statistics Canada.

Jurisdiction—Statistics on work stoppages are also classified according to jurisdiction. This is done on the basis of the government and those businesses covered by Part 1 of the *Canadian Labour Code* whose industrial relations statistics are applicable to the establishment involved in the dispute. (The tabulation of statistics on work stoppages by jurisdiction corresponds to a tabulation by province, except where the Federal jurisdiction is involved.)

The data reflect all work stoppages that have come to the notice of Workplace Information Directorate, and meet the criteria defined above, e.g. minimum person-days. The methods used to secure this information are believed to be adequate to preclude the possibility of major omissions.

Source: Workplace Information Directorate, Labour Program.

Workplace Information

Information sur les milieux de travail

Selected Provisions in Collective Agreements

Marie-Ève Bédard
Workplace Information Directorate
Labour Program

Indirect Compensation in the Workplace

Introduction

Indirect compensation, a form of extrinsic reward similar to direct compensation, includes public and private social security schemes, paid leave, and other services and privileges.

Indirect compensation in an organizational context generally increases employee satisfaction with working conditions, generates employee loyalty, lowers turnover and maintains or enhances the corporate image (Dolan et al. 2002).

According to Greenan (2002), the composition of benefits offered to employees depends on a number of internal factors, including the goals and individual philosophy of the organization. The composition of benefits is also influenced by external factors which are often dictated by business cycles and changes in public policy. With decreasing public funds allocated to worker benefits, employers and employees are coming under proportionately increasing pressure to assume additional financial responsibilities in order to maintain the levels of access and protection to which Canadians have become accustomed. Moreover, employers must now consider their employees' needs and values in addition to the market pressures influencing candidates in their choice of employer.

This article offers an overview of the various public and private plans related to indirect compensation, presenting the theoretical basis as well as excerpts from current collective agreements.

Paid Leave

The number of statutory holidays afforded employees is determined by provincial statute. Added to these is leave granted by the employer, in particular sick leave, personal leave and sabbatical leave (Dolan et al. 2002), as well as vacation leave, the length of which is usually based on the employee's seniority.

Sick leave allows employees to take time off work when they are sick (Human Resources Development Canada 2002). In Canada, labour standards legislation in four jurisdictions contains provisions for this type of leave; these jurisdictions are Canada, Quebec, Yukon Territory and Newfoundland and Labrador.

In addition, Human Resources Development Canada (2002) reports that, in case of illness, certain benefit plans allow employees to take time off work without loss of pay for a determined amount of time, while others allow employees to take time off without the need for a medical certificate. It is also relevant to note that sick leave is not family-related leave; nevertheless, some employers allow their employees to use their sick leave credits for this purpose.

Government of Prince Edward Island and Prince Edward Island Teachers' Federation, 2001–2004, 0460510

> *Section 17 – Sick Leave*
> *17:01 Sick leave means that period of time a teacher is permitted to be absent from work with full pay by virtue of being sick, injured or disabled.*

Personal leave allows employees to take time off work in order to attend to needs or obligations that affect them personally. Personal leave is not covered in labour standards legislation, which contains other types of leave allowing employees to attend to their personal obligations, namely vacation leave, bereavement leave, family-related leave, jury leave and paid leave of one day for an employee's wedding (HRDC 2003).

Among the 1,161 current collective agreements[1] that have been compiled by the Workplace Information Directorate, Labour Program, 242 agreements (20.8 per cent, covering 526,212 employees) contain paid personal leave clauses.

Culinar inc. and Bakery, Confectionery and Tobacco Workers International Union, Local 480, 1998–2002, 0049905

> *[Translation]*
>
> *Section 28 – Personal Leave and Jury Duty*
>
> *28.01 Jury Duty*
>
> *A) An employee required to serve on a jury must be paid the difference between any compensation received and the amount he would normally have earned had he been at work.*
>
> *B) Employees must inform the employer's human resources office within twenty-four (24) hours of notice of selection for jury duty. To be eligible for such compensation, employees must provide a written notice from the Department of Justice outlining time served, dates and compensation received.*
>
> *28.02 Personal Leave*
>
> *A) Any worker who has completed fifty (50) workdays within six (6) months will be entitled to the following leave with no loss of wages:*
>
> - *a maximum of five (5) days, four (4) days in the case of an employee on a four-day workweek, in the event of a spouse's or child's death;*
> - *three (3) days in the event of the death of the father, mother, father-in-law, mother-in-law, brother, sister, son-in-law or daughter-in-law, and one (1) day in the event of the death of the brother-in-law, sister-in-law, grandfather, grandmother or grandchild,*
>
> *provided these workdays occur between the day of death and the funeral, inclusively, except in the case of a spouse or child, and that they are intended to prepare for or take part in the funeral. However, in the case of night-shift employees, the day following the funeral is considered to be the day of the funeral.*
>
> *In the event of the birth of an employee's child, two (2) workdays are granted with no loss of wages, provided they are taken within fifteen (15) days following arrival of the child at home and notice was given to the employer.*
>
> *N.B. The employee must then inform his immediate supervisor before the start of the workday barring any physical impairment in doing so. In all these instances of*

[1] This analysis is based on small (100 to 499 employees) and medium (500 to 1,999 employees) bargaining units that are part of the stratified sample as well as all large bargaining units (2,000 or more employees), which the Workplace Information Directorate surveys.

absences, time is paid at the regular rate of each employee group concerned.

B) Personal leave mentioned in the preceding paragraph may be cashed out at the rate of 1/5 the regular daily rate for each day of personal leave, on top of time actually worked, in the case of a truck driver at work on the road at the time of the event, provided he returns his truck himself. However, return time is included in the leave of absence for a truck driver who asks to be replaced.

Hospital and Medical Care

Provinces have jurisdiction over hospital and medical care in Canada. There are as many health insurance plans, hospitalization insurance plans and financing plans as there are provinces in Canada. Nevertheless, as mentioned by Dolan et al. (2002), all such plans offer basic protection such as nursing, use of an operating room, laboratory work, medication and outpatient care. Health insurance plans also allow citizens of each province to consult a physician, be it at home, in a hospital setting or in private practice.

With respect to health services financing, the Canadian government provides transfer payments to provinces and territories through the *Canada Health and Social Transfer*. However, in order to obtain the maximum amount, provincial and territorial health insurance plans must meet the five criteria and two conditions established by the *Canada Health Act*. For instance, the plans must (1) be administered by a non-profit public authority; (2) cover all medically necessary medical and hospital services; (3) cover all insured provincial or territorial residents in the prescribed manner; (4) provide coverage that is transferable from one province to the next during temporary and permanent displacements; and (5) offer satisfactory access to insured health services in the prescribed manner free of any user fee.

The *Canada Health and Social Transfer* is a block fund allowing each province to distribute the amounts received among health care, social services and postsecondary education, in accordance with its own set of priorities. Thus according to Department of Finance estimates, 62 per cent of transfer program monies, or about $24 billion for fiscal 2003–2004 including the billion dollars from the Health Care Reform Fund, are provincially allocated to health care. Including federal assistance of $5 billion a year, the Department of Finance estimates that total federal contributions to health care account for more than 40 per cent of provincial spending in this area (Department of Finance, Canada, 2003).

Greenan (2002) states that an employer may, in addition to provincial plans already in place, implement a health care plan that reflects its social objectives, industry norms, its geographic location, the demographics of its employees, union participation and its budget. Thus, generally speaking, health care plans offered by an employer offer more comprehensive coverage with respect to hospital care, medication, dental care and vision care.

For example, in contrast to public plans, which cover hospital stays in four-bed rooms only, private health care plans cover the additional costs associated with private or semi-private hospital rooms. With regard to private prescription drug, dental care and vision care plans, they offer a greater level of protection and a wider array of services to contributors. A claim to the insurance carrier is generally required for a refund to be issued (Dolan et al. 2002).

It is worth noting the coordination of benefits stemming from health-related insurance. It is possible for employees to be simultaneously covered by their own plans and those of other persons, normally spouses, allowing for maximum, often even total, reimbursement of health-related expenses. Certain provisions pertaining to benefit coordination may thus be included in insurance policies.

Supplemental Health Insurance

Analysis of data provided by the Labour Program's Workplace Information Directorate shows that 1,051 of the 1,161 current collective agreements (90 per cent) contain a provision dealing with supplemental health insurance. Of those, 818 agreements state the percentage of the coverage provided. Thus 814 agreements (99.5 per cent) refund 50 per cent or more of expenses, 713 (89.4 per cent) refund 75 per cent or more, and 396 (48.4 per cent) provide a full refund. Furthermore, 117 of the 1,051 agreements (11.1 per cent) containing supplemental health insurance provisions offer employees coverage known as lump-sum payments, while 116 of those same 1,051 agreements (11.0 per cent) do not describe the level of reimbursement.

Groupe Jean Coutu PJC inc. and United Food and Commercial Workers International Union, 1996–2001, 1107101

> *[Translation]*
> *Coverage of Hospital Costs*
>
> *Coverage includes 100 per cent of the normal daily rate of room and board in a semi-private room for the entire length of the stay in hospital. In cases where the hospital does not have semi-private rooms, the coverage includes 80 per cent of the lowest daily rate set by the hospital for its private rooms.*
>
> *End – The day of your retirement.*

Kellogg Canada Inc. (London Plant) and Bakery, Confectionery, Tobacco Workers and Grain Millers International Union, Local 154G, 2000–2003, 0045106

> *Medical Services*
>
> *Semi-Private Hospital Room Accommodations – if you, or your dependent, are confined in a licensed private hospital, or public hospital within Canada, you will be eligible for accommodation up to the level of a semi-private room. (Plus the daily co-insurance charge if applicable.)*
>
> *Coverage – 100% reimbursement of amount*
>
> *Pre-Determination of Benefits – the Insurance Carrier suggests that you submit a detailed treatment plan before the services begin. You will then be advised of any benefit that will be provided.*
>
> *Private Room Accommodations – difference in cost between semi-private accommodations and private room in a public general hospital, but not a chronic care unit in the hospital.*
>
> *Coverage – 90% reimbursement of amount.*
>
> *Licensed Private Hospital Care – to a maximum of 120 days per person for confinement in a "licensed private hospital".*
>
> *Coverage – 90% reimbursement of amount.*
>
> *Note: Licensed private hospital is a legally licensed institution, which is primarily operated as a place for the care and treatment of alcoholics, drug addicts [sic], or the mentally ill as in-patients and which is eligible to receive payments under a provincial hospital plan.*
>
> *Private Duty Nursing – which is required when such services are provided in the home and which can only be provided by registered nurses who are not ordinarily a resident in your home and are not related to you or your dependents.*
>
> *Coverage – 90% reimbursement to a maximum of $10,000.00 per employee and eligible dependent(s) per calendar year. Recommendation by the attending physician is required for private duty nursing services.*
>
> *Diagnostic Services – charges for microscopic and laboratory tests, and/or similar diagnostic services prescribed by a physician.*
>
> *Coverage – 90% reimbursement of amount.*

Physiotherapy – services of a licensed or registered physiotherapist, who does not have an agreement with OHIP for payment of his/her services. Reimbursement will be based on the amount that would have been allowed if he/she were registered with them.

Coverage – 90% reimbursement of amount.

Accidental Dental Treatment – Dental care necessitated by a direct accidental blow to the mouth and not by an object wittingly or unwillingly placed in the mouth. The accident and treatment must occur while coverage is in force. Treatment must begin within 90 days of the accident, and must be completed within one year.

Insurance Carrier must be notified immediately. Payment will be made up to the fees set out in the Ontario Dental Association suggested Fee Guide for General Practitioners in effect on the date of treatment.

Coverage – 90% reimbursement of amount.

Ambulance Services – charges for licensed ambulance service, including air ambulance, to and from the nearest hospital where adequate treatment is available.

Coverage – 90% reimbursement of amount.

Drug Insurance Plan

Provisions linked to drug insurance plans are contained in 527 of the 1,161 current collective agreements, or 45 per cent. It should be noted that 410 of those 527 agreements (77.8 per cent) specify the percentage of coverage: 408 of these 410 agreements (99.5 per cent) offer coverage of 50 per cent or more, 377 (92.0 per cent) offer 75 per cent or more, and 230 (56.1 per cent) offer full coverage. Furthermore, 65 of the 527 agreements containing drug insurance plan clauses (12.3 per cent) do not state the method of reimbursement, and 52 (9.9 per cent) offer a lump-sum payment.

Groupe Jean Coutu PJC inc. and United Food and Commercial Workers International Union, 1996–2001, 1107101

[Translation]
Coverage of Major Medical Expenses

Coverage – 80% of all refundable expenses (including refundable expenses for medication and pharmaceutical products) and 100% of any amount that would constitute part of the contribution exceeding the annual limit of $750 for medication and pharmaceutical products. It is incumbent on you to show that your maximum contribution has been exceeded.*

** "Maximum contribution" means the total amount paid by a covered person in excess of which the cost of medication and pharmaceutical products is borne by the plan. The deductible and co-insurance must be accounted for in determining the maximum contribution, but any amount the covered person has not had to pay because of an employer-supported employee incentive plan must be deducted from it.*

The maximum contribution for the calendar year is $750 per covered adult. For the employee, this amount includes the sums paid as deductible and co-insurance, if applicable, for an eligible dependent child, or for a person suffering from a functional deficiency, residing at the same address and who, under the terms of the act respecting the Quebec Drug Insurance Plan, must be eligible for this plan.

Deductible – $50 per covered person or family.

Lifetime Maximum:

Medication and pharmaceutical products: No limit. However, benefits related to these medications and pharmaceutical

products will also be included in the $100,000 overall lifetime maximum, which applies to all other refundable costs.

Other refundable costs – $100,000 per covered person.

End – The day you retire.

Benefits allowed and maximum refundable costs (per covered person):

Home care nursing – $10,000 per calendar year.

Chiropractor, naturopath, osteopath and podiatrist – $20 per visit, to an overall maximum of $200 per calendar year.

Psychologist, physiotherapist, occupational therapist and speech-language pathologist – Overall maximum of $500 per calendar year.

Hearing aids – A single hearing aid per 24-month period, to a maximum of $250.

Kellogg Canada Inc. (London Plant) and Bakery, Confectionery, Tobacco Workers and Grain Millers International Union, Local 154G, 2000–2003, 0045106

Drugs:

a) Any drug (re: prescription drugs with DIN numbers) and/or medicines approved for legal sale to the general public in Canada, and prescribed by a physician or dentist. You will receive full reimbursement of a brand name drug only if your physician or dentist provides specific instructions prohibiting substitution.

b) Serums, injectables, insulin, needles, syringes and testape for use by diabetics purchased on the prescription of a medical doctor.

c) Injectable vitamins, or injectable vitamin preparations, and hematinic vitamins (vitamins to treat blood disorders).

d) Oral contraceptives.

e) Preventive vaccines.

Dental Plan

Dental coverage is included in 982 of the sample's 1,161 current agreements (84 per cent). With respect to refund methods, 77 of the 982 agreements (7.8 per cent) offer lump-sum payments, 139 (14.2 per cent) do not state the method of refund, and 766 (78.0 per cent) state the refund percentage. Of the 766 agreements, 764 (99.7 per cent) offer refunds of 50 per cent or more, 688 (89.8 per cent) offer 75 per cent or more, and 366 (47.8 per cent) offer full coverage.

Groupe Jean Coutu PJC inc. and United Food and Commercial Workers International Union, 1996–2001, 1107101

[Translation]
Dental Expenses Coverage

Basic services appear in the dental care schedule.

Coverage – 90 per cent of refundable costs.

Schedule of fees – The general practitioner's schedule of fees for orodental work approved by the dental association of the province you reside in for the year preceding the year when care is given.

Maximum – $1,200 per covered person per calendar year.

End – The day you retire.

Government of Prince Edward Island and Prince Edward Island Teachers' Federation, 2001–2004, 0460510

14:07 The Employers shall participate in the payment of group dental insurance by paying, per participant, 50% of the applicable premium as outlined in Appendix C, of Atlantic Blue Cross Care Dental Plan Part 1A.

Vision Care

Vision care provisions are found in 638 (55 per cent) current collective agreements. Of these, 38 (6.0 per cent) offer lump-sum payments, 95 (14.9 per cent) do not state the method of refund used, and 505 (79.2 per cent) state a refund percentage. Thus 503 agreements (99.6 per cent) offer refunds of 50 per cent or more, 472 (93.5 per cent) offer 75 per cent or more, and 275 (54.5 per cent) offer full coverage.

Groupe Jean Coutu PJC inc. and United Food and Commercial Workers International Union, 1996–2001, 1107101

> *[Translation]*
> *Vision Care Coverage*
>
> *Coverage – 100% of refundable expenses.*
>
> *Maximum – $150 per 24-month period. When contact lenses are the only available means of restoring visual acuity of the better eye to at least 20/40, the maximum is $200 per 24-month period.*
>
> *End – The day you retire.*

Kellogg Canada Inc. (London Plant) and Bakery, Confectionery, Tobacco Workers and Grain Millers International Union, Local 154G, 2000–2003, 0045106

> *VISION CARE*
>
> *Charges for the following vision care expenses when prescribed by an ophthalmologist, optometrist or oculist:*
>
> - *reimbursement for eye examination, including refractions, one per calendar year.*
>
> *Coverage – 90% of amount.*
>
> - *reimbursement for purchase, repair, and fitting of prescription glasses, sunglasses or contact lenses, up to a maximum of $200.00 each may be claimed over the term of the agreement.*
>
> *Coverage – 100%.*

Hearing Aids

Provisions relating to hearing aids appear in 253 agreements, or 22 per cent of listed current collective agreements. Of these agreements, 23 (9.1 per cent) provide for lump-sum payments, 33 (13.0 per cent) do not specify the method of payment, and 197 (77.9 per cent) state the percentage of the refund offered. Of these 197 agreements, 195 (99.0 per cent) offer refunds of 50 per cent or more, 185 (93.9 per cent) offer 75 per cent or more, and 106 (53.8 per cent) offer total coverage.

Réno-Dépôt inc. and International Brotherhood of Teamsters, 2000–2005, 1078702

> *[Translation]*
> *Hearing Aid*
>
> *Expenses incurred for the purchase and repair of a hearing aid, with the exception of batteries, up to $300 for each period of 24 consecutive months per insured person.*

Meritor Suspension Systems Company and National Automobile, Aerospace, Transportation and General Workers Union of Canada (CAW-Canada), locals 127 and 1067, 2001–2004, 0201807

> *IV. Benefits*
>
> *The covered person may obtain hearing aids that the dealer shall have agreed to furnish covered persons in accordance with the following reimbursement arrangements:*
>
> *(A) the acquisition cost of the hearing aid; and*
>
> *(B) the dispensing fee. Effective March 1, 2001, add binaural hearing aids.*

Flexible Benefits

A few benefit plans offer more flexibility. Known as "flexible benefits," these plans allow employees to choose benefits tailored to their needs, such as health

insurance, dental care, life insurance, accidental death or dismemberment insurance and long-term disability.

Some of these "à la carte" plans provide for credits to cover their cost and employees distribute their contributions to the various coverage options according to their needs. Other plans allow the employer to provide basic coverage to all employees, while giving them the opportunity to select a coverage level matching their needs and the costs they wish to assume (HRDC 2002).

Disability Insurance and Disability-Related Income Protection Plans

Funded equally by employers and workers, the Canada Pension Plan (or the Quebec Pension Plan for that province) guarantees the payment of benefits in case of disability. To be deemed disabled under the *Canada Pension Plan* (HRDC 2003), employees must be physically or mentally disabled and this disability must be severe and prolonged, that is, their state must be such that it prevents them from holding regular employment over an extended period of time or risks causing their death.

Most unionized employers offer, in addition to the public plan, income protection in case employees become disabled following illness or accident, regardless of whether the disability is related to work.

Disability plans may be short term (less than a year) or long term (a year or more). Short-term disability plans come in three varieties: sick leave, weekly indemnity and supplementary unemployment benefit plans. While sick leave is normally self-insured within large companies and management handles its administration and benefits payout, weekly indemnity plans are characterized by the outsourcing of claim settlement, usually to an insurance company. As for supplemental unemployment benefit plans, they offer benefits that top up those of the federal government's employment insurance plan.

There are 758 collective agreements containing income insurance clauses in case of short-term disability, representing 65 per cent of current agreements tracked by the Workplace Information Directorate. They are broken down as follows: 42 agreements (5.5 per cent) offer lump-sum payments to disabled employees, 170 (22.4 per cent) do not state the method of payment, and 546 (72.0 per cent) state the percentage of an employee's regular income that is to be granted. Of these 546 agreements, 543 (99.5 per cent) offer a disabled employee 50 per cent or more of regular wages, 496 (90.8 per cent) offer 75 per cent or more, and 236 (43.2 per cent) guarantee 100 per cent of wages in the event of short-term disability.

Groupe Hôtelier Grand Château (Sheraton Laval) and United Steelworkers of America, Local 9400, 2000–2005, 1107002

[Translation]

13) Period of total disability

a) When short-term income insurance applies – any continuous period or successive periods of total disability resulting from the same illness or accident and interrupted by periods of fewer than 15 consecutive days, under the short-term income insurance policy, or of fewer than 90 consecutive days, under the long-term income insurance policy, during which time the contributor was not totally disabled. If, during a given period, the disability is caused by an illness or accident totally unrelated to the illness or accident having caused the preceding total disability, it is considered to be a new period of total disability.

Short-term income insurance

5. Benefit

Options 1 and 2

1) When a contributor becomes totally disabled, he is entitled to a weekly benefit

equal to 60% of his weekly salary, as at the start of the total disability, if benefits are not taxable, and 66 2/3% of his weekly salary, as at the start of the total disability, if benefits are taxable. This benefit is payable from the 1st day of the period of total disability for an absence due to an accident, or from the earliest of the following dates for an absence due to illness:

a) the 8th day of the period of total disability;

b) the 1st day of the contributor's hospitalization.

Hospitalization is meant to include

a) any stay in hospital as a patient for minimum of 24 hours or

b) any stay in hospital during which the contributor undergoes surgery performed by a doctor and requires local, regional or general anaesthetic, except in cases of minor surgery, which may be performed at the doctor's office.

2) For the purposes of this policy, the weekly salary may not exceed

Option 1 – $600

Option 2 – the maximum benefit payable under the Employment Insurance Act.

3) This benefit is calculated at a rate of 1/7th for each day of absence and is payable

Option 1 – for a maximum of 17 weeks per period of total disability.

However, payment of the benefit may not under any circumstances continue beyond the latest of the following dates:

a) the date when the contributor has received at least 15 weeks' total compensation;

b) the date when the contributor reaches 70 years of age.

Option 2 – as long as the total disability lasts, to a maximum of 17 weeks less the number of weeks for which disability benefits, if any, are owing to the contributor from Human Resources Development Canada (HRDC). Notwithstanding the provisions of the preceding paragraphs, payment of the benefit may not, under any circumstances, continue beyond the latest of the following dates:

a) the date when the contributor has received at least 15 weeks' total compensation;

b) the date when the contributor reaches 70 years of age.

4) A contributor who returns to work after having received benefits during the entire length of the benefit period provided for by this policy, and who then becomes totally disabled once again for the same reason as that for which he received benefits, is not entitled to the benefits provided for by this section if he is entitled to those provided for by the long-term income insurance policy, or unless he has not been working full time every business day for a period of 90 consecutive days before becoming totally disabled once again.

5) For the purposes of this contract, the total disability begins on the date when the contributor stops working because of the total disability and ends on the date when the contributor is unable or refuses to provide proof of his total disability.

Option 3 – This option provides no short-term income insurance benefit.

Costs associated with long-term disability are normally insured by employers, and the value of benefits usually reaches 50 to 75 per cent of gross employee salaries. Employers try to minimize the extremely high cost of these benefits by implementing policies oriented to wellness, employee assistance, early intervention, gradual return to work and the maintenance of a medical and professional rehabilitation program (Thériault and St-Onge 2000).

Clauses relating to long-term income insurance appear in 770 collective agreements, or 66 per cent of the 1,161 agreements currently listed. Of these agreements, 31 (4.0 per cent) offer disabled employees lump-sum payments, 157 (20.4 per cent) do not provide details on income insurance, and 582 (75.6 per cent) mention the percentage of the regular salary to which an employee is entitled in case of long-term disability. Of these 582 agreements, 580 (99.7 per cent) offer 50 per cent or more of the regular salary, 491 (84.4 per cent) offer 75 per cent or more, and 249 (42.8 per cent) offer full coverage.

Doral International Inc. and Communications, Energy and Paperworkers Union of Canada, Local 173, 2000–2002, 1095202

[Translation]
Weekly Disability Benefit

Should you become disabled while your insurance is in force and are unable to work solely due to illness or accidental bodily injury, and if you are examined, treated and followed up on by a medical doctor certified to practise and are absent from work for a period longer than the waiting period, weekly benefits are paid to you during the period following the waiting period as long as you are disabled, but they stop at the end of the benefit period.

Classification (Categories and Amount):

All employees: 66.213% of eligible weekly earnings rounded off to the nearest dollar, 65 years of age: according to the employment insurance benefit ceiling at the start of the disability.

Earnings refer to the normal income paid by the employer, plus the average amount of commissions paid during the 24-month period (or less if the period of employment is shorter) preceding the start date of the disability, excluding bonuses and overtime, except where these are included in the amount for insurable gains for purposes of employment insurance.

With regard to hourly employees who do not regularly work full-time hours, earnings are calculated according to the average number of hours worked over the previous 20 weeks (or less if the period of employment is shorter) and the hourly rate in force the day preceding the employee's disability.

Any retroactive earnings adjustment comes into force on the date the change is decided upon.

Waiting period:

0 days – injury
*7 days – illness**

* *If you are hospitalized for at least 18 hours or are required to undergo a previously scheduled surgical procedure in hospital on an outpatient basis.*

During the waiting period, benefits are payable from the first day of hospitalization or the day of the surgical procedure on an outpatient basis.

Workers' Compensation System

The principle underpinning the workers' compensation system in Canada is that an employee, or the employee's dependents in case of death, is eligible to receive compensation in case of injury or occupational disease attributable to the work performed.

Rather than risk being sued by employees injured in the line of duty, employers have opted to become collectively responsible for charges incurred by compensation coverage for industrial accidents, which is normally mandatory for all employees holding industrial employment.

Compensation payable usually includes health care, disability benefits, rehabilitation and benefit in case of death due to industrial accident (Greenan 2002).

Abitibi-Consolidated Inc. (Laurentide Division) and Communications, Energy and Paperworkers Union of Canada, 1998–2004, 0120806

[Translation]
32.07 Industrial Accidents

An employee who, subsequent to an industrial accident, receives Workplace Health and Safety Commission benefits will be entitled, in addition, to the difference between the amount of these benefits and the net amount he would have received from the Weekly Benefit Plan (if any), calculated weekly, if the accident had not been compensable by the WHSC.

In the event of a challenge or delay in the payment of WHSC benefits, the company will pay the benefits provided for by the Plan to an employee asking for such payment and undertaking to reimburse the Company for any payment advance.

The amounts mentioned in the preceding paragraphs are payable as of the date the employee would have become eligible under the provisions of the Plan until the date of finalization, of return to work or of termination of a period of 52 weeks, whichever is earlier.

Government of New Brunswick and Canadian Union of Public Employees, Local 2745, 1997–2002, 0462005

[Translation]
Section 27 – Workers' Compensation

27.01 Workers' Compensation Supplement

An employee receiving compensation benefits under the Workers' Compensation Act for injury on the job shall receive the difference between the regular pay and the benefit that is paid by the Workers' Compensation Board during the period of total temporary disability.

27.02 No Charge Against Sick or Vacation Leave Credits

The absence of an employee who is receiving compensation benefits under the Workers' Compensation Act shall not be charged against the employee's sick leave credits or vacation credits.

27.03 Disability Pensioners

Special leave shall be granted, with no loss of pay or leave credit, to disability pensioners who are called to report to a medical board for examination or investigation in connection with their disability for a period of time not exceeding three days. A certificate of such attendance shall be submitted to the employer.

Life Insurance Plans

According to Thériault and St-Onge (2000), group life insurance may take five different forms: death and dismemberment insurance, which offers benefits if a worker suffers a serious injury or dies as a result of an industrial accident; optional life insurance, which is basically a supplement to group life insurance and which is subscribed to according to the various needs of workers; universal group life insurance, which offers the option of mixing coverage

and accumulation; dependent life insurance, which, while optional, allows for a choice in the level of coverage and cost; and, finally, survivor benefits, which usually correspond to a percentage of the deceased employee's salary paid to the spouse plus a supplement for each child.

Of the 1,161 current collective agreements compiled by the Workplace Information Directorate, 978 (84.4 per cent) include a life insurance clause. Of these agreements, 809 (82.7 per cent) provide a benefit based on a percentage of the employee's salary: 806 (99.6 per cent) offer benefits of 50 per cent or better, 707 (87.3 per cent) offer 75 per cent or more, and 453 (56.0 per cent) offer a sum equivalent to the employee's salary. Furthermore, 112 of the 978 agreements containing life insurance clauses (11.5 per cent) offer no details on the method of benefit payment, and 57 (5.8 per cent) prescribe lump-sum payments.

Domco Inc. and CSN—Syndicat des employés des Industries Domco ltée de Farnham, 1997–2002, 0247406

[Translation]
Coverage Schedule

Basic life insurance

The benefit payable upon an insured employee's death is equal to $20,000.

This insurance is reduced by 50% when the employee reaches 65 years of age and is terminated when he reaches 70 years of age.

Accident insurance
The benefit is equal to $20,000.

This insurance is reduced by 50% when the employee reaches 65 years of age and is terminated when he reaches 70 years of age.

Life insurance
Spouse – $10,000.

Dependent children aged 24 hours or more – $5,000.

This insurance is terminated when the employee reaches 70 years of age at the latest.

Basic life insurance

Upon an insured employee's death, the basic life insurance provides for the payment of a benefit, according to procedures established in the Coverage Schedule and in the General Provisions, as well as in what follows.

Except as provided for by law, the insured employee may designate or revoke, at any time, the beneficiary or beneficiaries of his insurance by forwarding written notice to the carrier.

When the insurance coverage of an employee of less than 65 years of age ends because he leaves his job, his life insurance remains in force free of charge for the following 31 days. During this 31-day period, he may, without providing proof of insurability, transform his group life insurance into a permanent or temporary individual life insurance, with or without accident coverage, according to the group coverage he held. For the first year of the individual contract, he may pay a temporary insurance premium.

Dependent life insurance

Upon the death of an insured dependent, the dependent life insurance provides for the payment of a benefit, according to procedures established in the Coverage Schedule and in the General Provisions, as well as in what follows.

This benefit is payable, in order, to the insured employee, to his spouse or to the legal heirs of the deceased dependent.

Peterson Spring (Kingsville Plant) and National Automobile, Aerospace, Transportation and General Workers Union of Canada (CAW-Canada), 1999–2002, 1143002

> *The Company will provide Group Life Insurance coverage to all employees at the rate of one [1] times annualized pay. This pay will be determined by multiplying your base hourly wage as it exists on January 1 of each year times 2,080 hours. This amount will be rounded to the nearest $1,000.00 and will be redetermined on January 1 of each year.*
>
> *The benefit will be the same for the entire year.*

Employee Assistance and Work-Life Balance Programs

As noted by Greenan (2002), today's society is characterized by an aging baby boomer generation, a larger proportion of women in the labour market and more single parent and dual-income families. These factors increase the amount of stress borne by individuals and their families, leading in some cases to workplace attendance and performance problems, as well as drug dependency, alcoholism and family-related problems. Employee assistance programs represent a very useful service offered by the employer for identifying and resolving such stress-related problems.

According to data collected by the Workplace Information Directorate, 212 current collective agreements (covering 613,908 workers) contain employee assistance programs, 153 agreements (465,665 workers) contain provisions for drug dependence programs, and 30 agreements (105,400 workers) include clauses touching on some form of assistance for victims of sexual harassment.

SaskPower and Communications, Energy and Paperworkers Union of Canada, Local 649, 1998–2001, 0411906

> *17.04 Employee and Family Assistance Program*
>
> *The Company and the Union agree to participate in an Employee and Family Assistance Program which is designed to offer assistance to the Employee whose work performance could decline, or has declined to an unacceptable standard regardless of the cause. This program is available to any Employee who has completed the initial probationary period.*

Lear Corporation and National Automobile, Aerospace, Transportation and General Workers Union of Canada (CAW-Canada), Local 1973, 2002–2005, 0197807

> *Appendix "L"*
>
> *Employee and Family Assistance Program*
>
> *Substance Abuse – Statement of Cooperation*
>
> *There is common recognition between the parties of the need to provide a support system for employees seeking assistance to handle personal problems that affect their performance in the workplace and within the community. Experience has shown that there are other types of situations where employees suffer from problems relating to emotional, medical, family, or financial difficulties, among others, which can be addressed through professional guidance and counselling.*
>
> *The Company and Union express their joint determination to deal cooperatively, constructively and confidentially with employees seeking assistance to handle*

personal problems of substance abuse among Lear workers and their families represented by the CAW.

Alcohol and drug dependency are recognized by medical and public health authorities as well as by the Company and the CAW as being diseases. Substance abuse is recognized to be a serious medical and social problem for workers, their families and the community. Such addiction by workers impairs their ability to function, contributes to increased absenteeism and tardiness, and is a violation of shop rules. This in turn disrupts work schedules with consequent dissatisfaction among the majority of workers sincerely trying to do a conscientious job.

Any of the above can have a damaging effect on plant efficiency and endangers the job security of workers. The Company and the Union have an interest in encouraging early and comprehensive treatment looking toward rehabilitation.

It is the intention of the Company to continue to work jointly with the CAW toward our goal of establishing a comprehensive and effective program to deal with substance abuse and related problems.

The Company and Union believe strongly that Substance Abuse program effectiveness may be hampered if rigid guidelines are issued which would preclude or discourage flexibility in the handling of Substance Abuse issues. Consequently, the parties will continue their mutual efforts to address these matters on a case-by-case basis. Additionally, the Company will work with the Union in the development and implementation of the Substance Abuse Procedure Manual (Attachment to Appendix L), which will aid the parties in dealing with substance abuse issues. The Manual will be considered as an attachment to the Collective Agreement between the parties and shall be premised on an expressed joint determination of the parties to deal cooperatively and constructively with the problem of substance abuse among Lear workers represented by the CAW.

The Union Substance Abuse/EFAP representative will work on the shift where a majority of employees in the plant are working.

Blue Water Seafoods inc. and Fédération du commerce inc. (CSN), 2002–2005, 0031307

[Translation]
2.04 Sexual Harassment

1. *Principle*

   The parties recognize the importance of maintaining a workplace free of sexual harassment.

2. *Definition*

   Sexual harassment constitutes a violation of human rights, in the guise of discrimination based on sex, and manifesting itself in the form of repeated verbal comments, actions or gestures of a sexual nature, be they repeated or not, flagrant or subtle, unwanted or imposed, and that are such that they prejudicially affect a person's dignity or physical or psychological integrity, or that they result in an unhealthy work environment, termination or resignation.

3. *Undertaking*

   The parties agree to take all necessary measures to avoid such a violation and to take, where appropriate, the necessary corrective measures warranted.

Consequently, the parties agree to:

- *maintain a climate free of sexual harassment that is conducive to protecting*

the physical and psychological integrity of persons, as well as safeguarding their dignity;

- *contribute to the awareness raising, education and training of employees in order to prevent sexual harassment; and*
- *inform employees of the help and rights of redress available with respect to sexual harassment.*

4. *Application*

   This clause applies to:

   - *both men and women equally;*
   - *relations between the employer's staff and salaried workers, as well as among salaried workers; and*
   - *salaried workers who are victims of sexual harassment while in the performance of their duties by outside individuals (client, supplier, subcontractor, trucker, etc.) and over whom the employer may exert a certain influence.*

5. *Measures*

   The parties will raise the awareness of salaried workers and persons excluded from the bargaining unit with regard to the issue of sexual harassment and provide them with adequate training in this respect.

   The parties will inform victims of sexual harassment on the help and right of redress available to them.

   The parties will inform the perpetrator of the aggression of the external resources available in order to correct such behaviour.

6. *Committee*

   The parties will set up a joint committee on the issue of sexual harassment. This committee will include one employer and one union representative.

7. *Mandate*

   The joint committee's mandate is to:

   - *implement the means of action provided for in paragraph 5;*
   - *accept complaints; and*
   - *investigate complaints submitted.*

8. *Confidentiality*

   The parties agree to keep all complaints submitted to the Committee in the strictest confidence.

9. *Information*

   The parties agree not to publish or distribute sexist posters, notices or brochures.

With the well-being and healthy lifestyle of their employees in mind, certain organizations are adopting work-life balance programs in order to help workers balance their professional and personal lives. These programs are, among other things, linked to time management, the location of health and leisure facilities, family-related leave and daycare services.

In Canada, there are 18 currently listed collective agreements (for 57,480 workers) that contain clauses linked to health and leisure facilities.

Laurentian Bank of Canada – Laurentian Trust of Canada Inc. and Office and Professional Employees International Union, Local 434, 2000–2001, 0450705

[Translation]
Sports and Health Club

The Bank maintains, for employees who benefited before the effective date of the present agreement, a refund of membership fees for sports or health clubs or preventive

medicine centres, according to the standards and procedures for employees excluded from the bargaining unit.

According to a study conducted by Barbeau (2001), workplace daycare centres provide many benefits for the employer. For instance, they facilitate employee retention and serve as key recruitment tools for new applicants; they minimize employee tardiness and absenteeism; they ease the reintegration of employees returning from maternity or parental leave; they can improve worker satisfaction, motivation, commitment and morale; and they can decrease stress and the symptoms of stress in the workplace.

This same study, however, states that daycare centres can also have negative impacts for the employer, such as the creation of a financial obligation, an eventual legal liability and a possible distraction for parents wishing to spend more time with their children during business hours.

In addition to providing on-site daycare services, some employers support employees with child care concerns by establishing a child care fund from which subsidies are paid to parents and by maintaining child care referral lists.

Twenty-five (25) collective agreements that contain daycare provisions have been compiled. These cover 195,920 employees.

Canada Post Corporation and Canadian Union of Postal Workers, 2000–2003, 0890204

CHILD CARE FUND

1. *The Corporation and the Union recognize the need for good quality affordable child care services for all employees. Consequently, the Corporation agrees to contribute to a child care fund and the Union agrees to administer this fund in accordance with the following provisions.*
2. *The fund is used exclusively for the following purposes:*
   - *(a) establish and support information programs dealing with child care;*
   - *(b) conduct analyses and research to assess child care needs and the methods used to meet these needs;*
   - *(c) establish or assist in establishing child care facilities and oversee their operation;*
   - *(d) pay subsidies for child care services;*
   - *(e) reach agreements with child care facilities or other institutions to provide or facilitate child care;*
   - *(f) hire staff or reimburse the salary of bargaining unit employees on Union leave for the above-mentioned purposes.*
3. *In principle, only those employees in the bargaining unit and their children may benefit from admission in a child care facility and be eligible for a subsidy.*

However, insofar as other places remain available, they are offered by preference to other employees of the Corporation and their children. However, the fund shall not assume the costs of these services.

Many collective agreement provisions seek to foster work-life balance. They are linked, in particular, to overtime hours, work schedules, flexible work arrangements, shorter work hours and telework.

Maternity, parental and adoption leave, as well as pregnancy-related provisions, are also closely linked to work-life balance. Certain organizations even offer their employees a broad spectrum of leave provisions linked to family responsibilities, from child care and family health-related leave to personal leave (Rochon 2000).

Workplace Information Directorate data reveal that 555, or 47.8 per cent, of the 1,161 current collective agreements contain maternity leave-related clauses. Of these agreements, 317 (57.1 per cent) state the percentage of salary paid by the employer even when part of this benefit is covered by employment insurance—also referred to as "top-up". Of these 317 agreements, 316 employers pay 50 per cent or more of the regular wages of an employee; in 297 agreements (93.7 per cent), employers cover 75 per cent or more; and 16 agreements (5.0 per cent), employers offer the maximum allowed under the *Employment Insurance Act*.

Nevertheless, there are still many collective agreements that do not contain any provisions relating to maternity leave. Workers covered by these agreements are legally entitled to maternity leave and to the benefits provided for under the *Employment Insurance Act*; however, they do not receive top-up benefits from their employers.

As well, these workers are subject to a waiting period before benefits commence. The *Employment Insurance Act* stipulates that, as for any other application for unemployment benefits, a waiting period (normally two weeks) must be observed before maternity benefits can be paid out. Top-up benefits offered by certain employers may cover this two-week waiting period.

Maple Leaf Meats Inc. and United Food and Commercial Workers International Union, Local 832, 1999–2005, 0028507

> *A female employee shall be granted a maternity leave of absence by the Company; said employee shall be re-employed by the Company after the birth, providing she returns to work within seventeen (17) weeks , nless she is entitled to and so chooses to take parental leave immediately following her maternity leave. The employee must make application, in writing, within eight (8) weeks after the birth, and give the Company a minimum of two (2) weeks' notice in advance of the day she intends to return to work. She must provide the Company with a doctor's certificate, certifying her to be medically fit to work. In cases of physical complications, the employee may request an extension of her leave of absence up to but not exceeding an additional twelve (12) weeks, provided such request is accompanied by a doctor's certificate setting out the nature of the complications.*

EMS Technologies Canada Ltd. and Space Systems Engineers and Scientists Association, 2002–2005, 1074303

> *26.02 Maternity Leave*
>
> *An employee who becomes pregnant is entitled to a maternity leave of absence without pay from work up to a maximum of eighteen (18) weeks.*
>
> *An employee entitled to maternity leave may exercise her discretion as to the division of time before and after the birth. However, the leave may not begin prior to the sixteenth (16th) week preceding the anticipated date of birth.*
>
> *At least three (3) weeks before going on leave, the employee must give the Company a written notice indicating the date she plans to begin her maternity leave and the date she will return to work. This notice shall include a medical certificate attesting the pregnancy and the anticipated date of birth. If the employee does not report to work on the return date stipulated in the notice given to the Company, she shall be considered as having resigned unless the Company received a written justification prior to the return date.*
>
> *As of the sixth (6th) week before the anticipated date of birth, the Company may demand in writing that a pregnant employee who is still working provide a medical*

certificate attesting that she is fit to work. If the employee refuses or fails to provide this certificate within eight (8) days, the Company may force her to go on maternity leave immediately by sending her a written notice to this effect.

Upon return from maternity leave, an employee is reinstated in her regular position with all advantages to which she would have been entitled had she remained at work.

During the maternity leave, the employee may receive Company benefits as long as the eligibility criteria are met.

Eligibility Criteria

To be eligible to Company benefits, the employee shall:

1) hold a regular, full-time position;

2) have completed at least one year of continuous service with the Company;

3) be eligible to employment insurance benefits during her maternity leave;

4) deliver a baby, viable or not, after the twentieth week of pregnancy;

5) provide to the Company a copy of the benefit warrant slip that she receives from employment insurance in order to establish the benefits that she will receive from the Company.

An employee who becomes pregnant and does not meet these eligibility criteria may obtain an unpaid maternity leave of eighteen weeks and, if she is eligible, receive maternity leave benefits from employment insurance.

Adoption leave provisions are found in 357 (30.7 per cent) of the 1,161 current agreements. The percentage of an employee's regular wages paid, either as top-up to employment insurance benefits or not, is stated in 317 (88.8 per cent) of these 357 collective agreements. One hundred and forty-three (143) agreements (45.1 per cent) include coverage of 50 per cent or more of wages, 134 (42.3 per cent) pay 75 per cent of wages, and 54 (17.0 per cent) offer full wages.

Hydro-Québec and Syndicat Professionnel des Ingénieurs d'Hydro-Québec, 1999–2002, 0408707

[Translation]
Adoption Leave

18. An employee who legally adopts a child, other than the child of his or her spouse or his or her own child, will be entitled to a paid leave of ten (10) consecutive weeks provided their spouse is not also benefiting from it. This leave must be taken after placement of the child, or its equivalent in case of an international adoption, as provided for in adoption legislation or at another time as agreed to by the employer. The employee may use two (2) days from these ten (10) weeks when taking interim custody of a child.

18A. An employee who legally adopts a child, other than the child of his or her spouse or his or her own child, and who does not benefit from the leave provided for in paragraph 18, will be entitled to a paid leave of two (2) working days. When an employee benefits from the leave provided for in paragraph 18, he or she may use two (2) days from those ten (10) weeks when taking interim custody of a child.

18B. An employee who legally adopts the child of his or her spouse or his or her own child will be entitled to a paid leave of five (5) days, provided his or her spouse is not benefiting from it. This leave must be taken after the start of adoption proceedings. It may be discontinued and is intended to free the employee to perform the administrative formalities of the adoption.

University of British Columbia and Canadian Union of Public Employees, 1999–2002, 0534306

Adoption Leave

In case of adoption, an employee who is eligible for and receives the benefits of the Employment Insurance Act is entitled to a leave of absence without pay of eighteen (18) consecutive weeks from the date the child arrives home. If eligible he/she shall receive the benefits of the applicable provisions of the Employment Insurance Act.

Of the 1,161 current agreements listed by the Workplace Information Directorate, 426 (36.7 per cent) contain parental leave clauses. Moreover, 81 of these 426 agreements (19 per cent) state the percentage of regular wages to be paid by the employer, even when part of the benefit is covered by employment insurance. Of these 81 agreements, 80 (98.8 per cent) offer employees 50 per cent of their regular wages, 74 (91.4 per cent) offer 75 per cent of regular wages, and 2 (2.5 per cent) offer full coverage.

EMS Technologies Canada Ltd. and Space Systems Engineers and Scientists Association, 2002–2005, 1074303

26.03 Parental Leave

An employee is entitled to a parental leave without pay, up to a maximum of fifty-two (52) continuous weeks, as per the Labour Standards Act.

26.04 Before the beginning of a leave of absence as per paragraphs 26.01, 26.02 and 26.03, the employee is informed of the work conditions that apply during his absence and those following his return to work by a Human Resources representative.

National Research Council of Canada and Professional Institute of the Public Service of Canada, 2001–2002, 0638508

19.09 Parental Leave Without Pay

(A) An employee who becomes a parent through the birth of a child (including the new-born child of a common-law spouse) or the adoption of a child below the age of majority shall, upon request, be granted parental leave without pay for a single period of up to thirty-five (35) consecutive weeks, or thirty-seven (37) consecutive weeks where the employee is subject to a waiting period referred to in 19.10 (C)(l) beginning on or after the date of the child's birth or the date of acceptance of custody of the child for adoption.

(B) Notwithstanding paragraph (A):

1) where the employee's child is hospitalized within the period defined in the above paragraphs, and the employee has not yet proceeded on parental leave without pay,

or

2) where the employee has proceeded on parental leave without pay and then returns to work for all or part of the period during which his or her child is hospitalized,

the period of parental leave without pay specified in the original leave request may be extended by a period equal to that portion of the period of the child's hospitalization during which the employee was not on parental leave. However, the extension shall end not later than fifty-two (52) weeks after the day on which the child comes into the employee's care.

(C) An employee who intends to request parental leave without pay shall notify the Council at least four (4) weeks in advance of the expected date of the birth of the employee's child (including the child of a common-law spouse), or the date the child is expected to come into the employee's care pursuant to paragraph (A).

(D) The Council may:

1) defer the commencement of parental leave without pay at the request of the employee;

2) grant the employee parental leave without pay with less than four (4) weeks' notice;

3) require an employee to submit a birth certificate or proof of adoption of the child.

(E) Parental leave without pay taken by a couple employed in the Public Service shall not exceed a total of thirty-five (35) weeks, or thirty-seven (37) weeks where they are subject to a waiting period referred to in 19.10 (C)(l), for both individuals combined. For the purpose of this paragraph, Public Service means any portion of the Public Service of Canada specified in Schedule I of the Public Service Staff Relations Act.

(F) Leave granted under this clause shall count for the calculation of "continuous employment" for the purpose of calculating severance pay and "service" for the purpose of calculating vacation leave. Time spent on such leave shall count for pay increment purposes.

Retirement Income Plans

As reported by Thériault and St-Onge (2000), revenues distributed to the elderly come from the Old Age Security Pension, the Guaranteed Income Supplement, the Widowed Spouse's Allowance and the Canada Pension Plan (the Quebec Pension Plan for that province). These payments are mandatory and are completely financed through employee and employer contributions.

In addition to government plan benefits, employers may offer their employees a private pension plan that will provide them with an additional income when they leave the workforce. According to Statistics Canada, 5,431,578 workers joined registered pension plans managed by employers in 2000. This represents 33.8 per cent of the labour force and 40.6 per cent of paid workers (Statistics Canada 2003).

At the discretion of the employer, a pension plan may be contributory or non-contributory. A contributory pension plan, to which employers and employees contribute, allows for the creation of a larger retirement fund or for a reduced burden of contribution for the employer. Moreover, it increases the interest and awareness of employees with respect to the costs of the plan and contributions are tax deductible. There are, in Canada, 564 collective agreements containing contributory pension plan provisions; these represent 48.6 per cent of the 1,161 current collective agreements identified by the Workplace Information Directorate.

Smurfit-MBI (Saint-Laurent) and Communications, Energy and Paperworkers Union of Canada, Local 291, 2000–2006, 0132106

[Translation]
Appendix E – Pension Plan

2. Employee Contributions

Each participant must contribute an amount equal to 3.5% of earnings up to maximum pensionable earnings (MPE) and 6.0% of the portion of earnings in excess of MPE.

As of July 1, 2001, the participant's contribution to the Plan is equal to 4.5% of earnings up to MPE and 6.0% of earnings in excess of MPE.

> *For the purposes of this paragraph, the term "earnings" refers to the basic wage rate, except in the case of overtime hours, taxable benefits, allowances or special payments, and reimbursement of expenses. Earnings include work performed on Sundays that is not overtime.*

If the employer decides to opt for a non-contributory pension plan, where the company underwrites all contributions, the decision will typically result in lower remuneration and accounting costs, greater employee loyalty to the company and decreased employee demands in terms of salaries and benefits. The company will also have greater control over the design of the pension plan and the management of investments (Dolan et al. 2002). Of the 1,161 currently listed collective agreements, 201 (17.3 per cent) include non-contributory pension plan provisions.

Aciers Inoxydables Atlas and Syndicat des employés de Aciers Atlas (CSN), 1999–2002, 0150806

> *[Translation]*
> *Appendix B – Pension Plan*
>
> *Contributions*
>
> *The Plan involves no deductions, the total cost being assumed by the employer.*

Private pension plans, contributory or not, take three distinct forms: defined contribution, defined benefit and hybrid or combined plans.

Defined contribution pension plans are those where the employer and in some cases the employee contribute a predetermined and fixed amount to a retirement savings vehicle. Pension income depends on the yield of the invested contributions and other circumstances that could determine the actuarial value at the time when the employee takes retirement (Hébert 1992).

Defined benefit pension plans stipulate the level of income employees will receive when they retire. Benefit levels are known in advance, and contributions may vary to ensure adequate funding of liabilities (Hébert 1992).

Defined benefit plans fall into four different categories: they can be based on career average earnings (the benefit is based on a percentage of salary per year of service), on earnings in the final years (the benefit is based on average earnings over a specified number of final years), or on best earnings (the benefit is based on a fixed percentage per year of service multiplied by the average of the best three or five years), or their benefits can be predetermined and fixed (benefits are based on a fixed benefit dollar multiplied by the number of years or months of participation in the pension plan).

Hybrid or combined plans include certain characteristics of defined benefit and defined contribution plans. The various types of pension plans will be described in more detail in a future *Workplace Gazette* article.

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(0031307) Blue Water Seafoods inc. and Fédération du commerce inc. (CSN), 2002–2005.

(0045106) Kellogg Canada Inc. (London Plant) and Bakery, Confectionery, Tobacco Workers and Grain Millers International Union, Local 154G, 2000–2003.

(0049905) Culinar inc. and Bakery, Confectionery and Tobacco Workers International Union, Local 480, 1998–2002.

* These collective agreements are available in full on Negotech at http://www.rhdcc.gc.ca/fr/pt/imt/info.shtml .

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(1074303) EMS Technologies Canada Ltd. and Space Systems Engineers and Scientists Association, 2002–2005.

(1078702) Réno-Dépôt inc. and International Brotherhood of Teamsters, 2000–2005.

(1095202) Doral International Inc. and Communications, Energy and Paperworkers Union of Canada, Local 173, 2000–2002.

(1107002) Groupe Hôtelier Grand Château (Sheraton Laval) and United Steelworkers of America, Local 9400, 2000–2005.

(1107101) Groupe Jean Coutu PJC inc. and United Food and Commercial Workers International Union, 1996–2001.

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Coming in the Next Issue

Selected Provisions in Collective Agreements will report on ***Pension Plans*** *and* ***Volunteer Work Clauses****.*

Calendars of Collective Agreements Expiries and Reopeners

The 2004 Calendar of Bargaining Units with 100 or more employees is available on the Workplace Information Directorate Website at

http://www.hrsdc.gc.ca, *click on:*
(1) Labour and Workplace,
(2) Collective Bargaining,
(3) Agreements and Settlements.

Innovative Workplace Practices

Bruce Aldridge
Workplace Information Directorate
Labour Program

This overview of workplace innovations is based on a review of 69 collective agreement settlements negotiated during the fourth quarter of 2003. Of these, slightly under one-half (34 settlements) contained provisions considered to be innovative or of particular interest.

Duration

Of the 69 settlements reviewed during the quarter, approximately 39 per cent (27 collective agreements) had a duration of 36 months. Four settlements had durations of 12 months. Twelve settlements had durations of between 22 and 29 months while 18 had durations of between 48 and 56 months. Eight settlements had durations of 60 months or more. A 96-month agreement was negotiated between Canada Post, Canada-wide and Canadian Union of Postal Workers: a first-time agreement covering 6,000 previously independent rural and suburban mail carriers.

Compensation

An **achievement incentive program** has been introduced between Bell Canada, province-wide, Quebec and Ontario and Communications, Energy and Paperworkers Union of Canada. The program, based on financial results and customer satisfaction, has an objective to provide employees with 1.5 per cent of the basic wage rate for 2004 and 2005 and 3.0 per cent for 2006, 2007 and 2008.

The agreement between Alberta Treasury Branches, province-wide and Alberta Union of Provincial Employees includes a **variable pay** plan. The plan, based on attainment of branch, regional and corporate goals, provides for an annual maximum lump-sum payment of 150 per cent of 7.5 per cent of annual salary if all goals are met.

As a **result of cost savings,** the Government of British Columbia, province-wide and British Columbia Government and Service Employees' Union recognize that there will be ongoing cost and savings accruals beyond the 2006 expiry of the current agreement. The parties agreed that savings in excess of costs will be applied to a wage increase or to other benefits during the term of the next collective agreement. The collective agreement also contains a negotiated **inflation adjustment account.** This account is used to cover cost-of-living adjustments to pensioners and to pay full or partial premiums for medical service plan coverage, extended health care and life insurance to age 65 for those employees who take early retirement. The employer contributes 2.5 per cent of salaries and effective April 1, 2005 the employee contributes 1.5 per cent of salaries, although this premium will be taken from gain sharing amounts generated.

Atomic Energy of Canada Limited, Mississauga, Ontario and Montréal, Quebec and Society of Professional Engineers and Associates have a **merit pay** provision based on the distribution and salaries of bargaining unit members. For 2003 and 2004, the merit adjustments will be 2.0 per cent of salaries and in 2005, the adjustment will be 2.5 per cent.

A **recruitment and retention** provision has been introduced between Greyhound Canada Transportation Corporation, various locations in Ontario, Manitoba, Saskatchewan, Alberta, British Columbia and Yukon Territory and Amalgamated Transit Union. The employer reserves the right to increase wages on a regional basis in order to retain licensed mechanics. Prior to commencing any regional market analysis, the employer will meet with the union to discuss the concerns, the process and the intent of the market analysis.

CHUM Limited and other divisions, Toronto, Ontario and Communications, Energy and Paperworkers Union of Canada have initiated a **wage protection** plan. An employee who has reverted to a lower salary group due to workforce adjustment will be subjected to the lower salary scale as follows: less than one year's service, after one month in the lower position, one to three years service, after 12 months; more than three years service, after 24 months in the position.

Three agreements contain a form of **long service bonus.** The agreement with the City of Edmonton, Alberta and Amalgamated Transit Union contains a **service bonus** whereby the operational, trades and maintenance employees receive a lump-sum payment in December of each year. Payments are calculated as follows: 5 to 9 years of service, 2¢ per hour worked; 10 to 14 years, 4¢ per hour worked; 15 to 19 years, 6¢ per hour worked; and 20 or more years, 8¢ per hour worked. The City of Montréal, Quebec and Montreal Firefighters' Association have a **seniority bonus** which provides 2.8 per cent of wages of employees with more than five years of seniority; effective January 1, 2004, 2.7 per cent, January 1, 2005, 2.6 per cent, and January 1, 2006, 2.0 per cent. The Caisses populaires du Saguenay-Lac-St-Jean, Quebec and Fédération du commerce inc. have established the following **long service vacation and bonus** schedule.

Seniority	Additional Vacation	Bonus
15 years	-	$250
20 years	-	$500
25 years	1 week	$500
30 years	2 weeks	$750
35 years	3 weeks	$1,000
40 years	4 weeks	$1,000

Working Conditions

The Conseil scolaire acadien provincial, province-wide, Nova Scotia and Nova Scotia Teachers' Union have introduced an **out-of-school instructional service.** Teachers shall be required, on request by the principal, and with reasonable notice, to provide students who are absent, with copies of lesson plans that were prepared and taught by the teacher, course outlines, sample tests and examinations, and such other materials as the teacher might prepare for the student's class. However, teachers shall not be expected to prepare additional materials, or to release tests and examination materials prior to their release to the class.

Canada Post Corporation, Canada-wide and Canadian Union of Postal Workers have a provision concerning **rotation of duties.** The employer will make every reasonable effort to ensure that an employee assigned to coding duties or manual loose loading or unloading of parcels from vehicles will not be required to perform these duties for the entire shift.

A new **retirees health spending account** applicable to employees who retire on or after January 1, 2003 has been established between Manitoba Hydro, province-wide and International Brotherhood of Electrical Workers. The individual account will be initially limited to $350 per year, but will be indexed annually by 2.5 per cent commencing January 1, 2005. Additional benefit improvements, valued at 0.25 per cent of basic salary annual payroll, will be added to the account in 2005,

unless the coalition of unions advises the employer by December 1, 2004 that it wishes to allocate the funds to improvements to the Manitoba Hydro Supplemental Pension Plan. The coalition will provide the employer with a reasonable opportunity to discuss the two options prior to making its final decision.

First Air, Canada-wide and Canadian Auto Workers have introduced an **attendance award leave** provision. An employee shall receive two days' additional vacation leave for perfect attendance and one day if sick for only one day during the year.

A **frequent travel leave** provision has been initiated between the Office of the Superintendent of Financial Institutions, Ottawa, Ontario and Professional Institute of the Public Service of Canada. Employees who travel and are away from their residence for 40 nights in a fiscal year will receive one paid day plus one extra day for each 20 additional nights, to a maximum of five paid days per year.

The Municipal Corporation of Iqaluit, Nunavut and Public Service Alliance of Canada have a **child care paid expense while on travel.** An employee, who is required to travel on behalf of the employer, may be reimbursed a maximum of $35 per day, per child, upon provision of a receipt.

Job Security

A **plant closure** clause appears in two agreements. Weyerhaeuser Canada, Kamloops, British Columbia and Communications, Energy and Paperworkers Union of Canada offer a **severance** payment in a lump-sum payment equal to two weeks' pay per year of service to a maximum of 52 weeks' pay. ThyssenKrupp Fabco, Windsor, Ontario and Canadian Auto Workers have a provision for 20 weeks **notice or pay in lieu** in case of a closure.

MTD Products Limited, Kitchener, Ontario and Canadian Auto Workers have a **work injury** provision. An employee who has been injured on the job and must make follow-up appointments with a physician will be paid for a maximum of 10 visits.

Mayne Logistics Loomis, province-wide, Ontario and Canadian Auto Workers have also negotiated a new work injury provision. Employees who become **incapacitated** as a result of a work related injury **will not be terminated** as long as work is available that medical restrictions will allow them to perform; the employer will provide such employees with 10 days of training. In addtion, a **substance abuse** provision has been negotiated between the parties. The employer will provide all normal group insurance benefits while an employee is under a medically prescribed course of treatment, and will pay the costs of the treatment if the institute chosen is not covered under the Ontario Health Insurance Plan.

The Government of Manitoba, province-wide and Communications, Energy and Paperworkers Union of Canada have amended their policy concerning **military leave** to permit leaves of absence of up to three years for the purposes of military service in the Canadian Forces.

Funds

An **employee assistance** fund has been established with the City of Montréal, Quebec and Canadian Union of Public Employees. The employer contributes 2.3 per cent of the total payroll to the fund to provide emergency assistance to employees who fall sick or suffer accidents.

Sun-Rype Products Ltd., Kelowna, British Columbia and International Brotherhood of Teamsters have an **education** fund whereby the employer contributes 2¢ per hour worked to the union's shop steward fund; effective September 1, 2004, 3¢ per hour worked.

The agreement between Canada Post Corporation, Canada-wide and Canadian Union of Postal Workers contains a **child care** fund. The employer will contribute $300,000 each quarter and 1/2 of one per cent of the employer's annual net operating profits to the fund. Employee's children, grandchildren and dependent adult children with special needs may benefit from admission in a facility and be eligible for a subsidy.

Training

The City of Montréal, Quebec and Montreal Firefighters' Association have introduced **modifications to individual work schedules** so as to facilitate training and development programs. Tuition fees will be reimbursed to employees who take an approved relevant career planning course.

Weyerhaeuser Canada, Kamloops, British Columbia and Communications, Energy and Paperworkers Union of Canada have a provision to cover apprentice **out-of-town training expenses.** On successful completion of the required period of vocational school training, the employer will reimburse expenses to a maximum of two hours' pay per day on a 7-day per week basis at the first year apprentice rate.

Labour-Management Committees

During the fourth quarter of 2003, 12 of the 34 agreements with innovative practices contained provisions for establishing committees dealing with a wide variety of concerns.

Atomic Energy of Canada Limited, Mississauga, Ontario and Montréal, Quebec and Society of Professional Engineers and Associates have introduced a **non-monetary issues resolution** committee. The committee has been established to resolve, or engage a mediator to help resolve, outstanding issues: contracting-out; competition for positions within the bargaining unit, including work outside Canada; layoff positions; and the definition of a program for development and training funding of up to 3.0 per cent of payroll.

A **labour relations** committee has been created between the City of Montréal, Quebec and Montreal Firefighters' Association. Employees will be involved in the process of reorganizing the work and improving the workplace atmosphere as well as other aspects of labour relations.

Bell Canada, province-wide, Quebec and Ontario and Communications, Energy and Paperworkers Union of Canada have introduced an **enhanced mobility** committee which will recommend measures to facilitate employee mobility within the company and to improve employees' access to information about the career opportunities available.

Other committees described in collective agreements include such items as training, pension plan recommendations, work reorganization and employee assistance programs.

Innovative Workplace Practices

Previously published innovative workplace practices from past issues of the Workplace Gazette, are available onthe Workplace Information Directorate Website Website at

http://www.hrsdc.gc.ca, *click on:*
(1) Labour and Workplace,
(2) Workplace Information and Innovation,
(3) Workplace Innovations.

Labour-Management Partnerships Program

Projects

Federal Mediation and Conciliation Service, Labour Program

The Labour-Management Partnerships Program is a centralized federal contribution program of the Federal Mediation and Conciliation Service. The program is designed to encourage effective labour-management relations in the workplace or at the sectoral level by providing funding assistance that supports efforts by unions and employers to jointly explore new ways of working, and of working together. Participants (union and employer or an association which represents both) must contribute at least 50 per cent of the total cost of the project in cash or in kind. In most projects, however, participants contribute considerably more than half of the total costs.

The Program supports initiatives aimed at promoting productive, innovative workplaces; fairer, more accessible workplaces; and improved labour-management relations. Only pilot or demonstration projects are eligible for funding. Funds are not available for activities which represent the ongoing operations or business plan of an organization, job-training activities, business start-ups, or the introduction of new technologies. Funds are awarded on a competitive basis and preference is given to projects involving companies and unions under federal jurisdiction.

The Labour-Management Partnerships Program has been funding projects since 1991. The Program's 2003–2004 budget is $1.6 million. Projects can run for two years and funding of up to $100,000 is available.

Copies of final project reports are available from the parties and through the departmental library.

Ongoing Projects

The following projects are currently being funded by the Labour-Management Partnerships Program. A summary of most reports will be published in future issues of the *Workplace Gazette*.

Canadian Broadcasting Corporation *and* Canadian Media Guild (CMG)

This project is evaluating a performance management and staff development process which emphasizes regular feedback and coaching for employees. National Committee members and more than 60 locally based joint committees—all of which include both labour and management representatives—are participating in this evaluation. Results will be made publicly available through the Canadian Broadcasting Corporation website at http://www.cbc.ca .

Canadian Standards Association

In conjunction with a steering committee of union, management and government representatives, the Canadian Standards Association will oversee the development of a Canadian National Standard on occupational health and safety management systems. Other interests will be accommodated in a non-voting capacity in order to obtain broad representation from specific industry sectors. The Canadian Standards Association is accredited as a Standards Writing Organization in Canada.

City of Toronto *and* Toronto Professional Fire Fighters Association, Local 3888

This pilot project between the City's Fire Services Division and the Toronto Professional Fire Fighters Association, Local 3888, is intended to develop and sustain an interest-based collaborative approach to all labour relations issues, including bargaining. The approach will be introduced to line management and union representatives through workshops, training and the development of best practices related to collaborative labour-management relations.

Femmes regroupées en options non-traditionnelles *and* Société de transport de Montréal and Syndicat du transport et des employés des services d'entretien (CSN)

The objectives of this project are to produce a 25-minute video outlining the myths and realities of women working in predominantly male environments. Supporting training material, including training techniques, is also being developed to ensure that managers and union stewards are fully aware of their responsibilities to women workers in non-traditional occupations.

Visit Femmes regroupées en options non-traditionnelles at http://www.front.qc.ca .

Ford of Canada Ltd. *and* the Canadian Auto Workers' Union

The union and the company have received funding for a film looking at three types of harassment: gender, racial and sexual orientation. Using actors to portray events, the film will recreate harassment incidents, and give direction to victims of harassment and their union representatives and co-workers on how such situations should be handled to further the goal of eliminating harassment in the workplace. A joint steering committee is overseeing the concept, treatment, rough and fine cut reviews and pilot testing. The film will be used as a training tool in CAW-represented workplaces and in other unionized and non-unionized workplaces.

John Forsyth Shirt Company and Ike Behar Inc. *and* **Union of Needletrades, Industrial and Textile Employees**

The project aims to prevent and reduce work-related musculoskeletal disorders in the clothing industry by developing and implementing an ergonomics program. The program involves all interested parties—management, workers, union representatives and researchers—who work together as an Ergonomics Change Team. The teams' functions are to assess and prioritize the risky jobs in the plant and to brainstorm, develop and implement solutions. This is the final phase of a project which began in 2001. Project results will be published and widely distributed, via the union's website and newsletter, in an easy-to-read self-help guide developed for employers, health and safety representatives, and workers.

Visit the Union of Needletrades, Industrial and Textile Employees' website at http://www.unite-svti.org .

Ordre des conseillers en ressources humaines et en relations industrielles agréés du Québec

The purpose of this project is to create a portal on the RHRI website dedicated to union-management partnerships. It will include samples of best practices in labour relations, articles, research papers, guides, manuals, etc., as well as practical tools to guide companies, unions and industrial relations professionals in the development of constructive employer-union relationships.

Visit the Ordre des conseillers en ressources humaines et en relations industrielles agréés du Québec's website (French only) at http://www.rhri.org .

Queen's University

The University is undertaking an assessment of the outcome of the 1998 legislative review of Part I of the *Canada Labour Code* and subsequent amendments. Representatives of the Canadian Labour Congress and of Federally Regulated Employers—Transportation and Communication are participating in the project steering committee. The project, which will lead to a presentation and a published report, includes a survey of major Part I clients, and interviews and/or small group discussions with selected labour and management representatives.

Visit Queen's University website at http://www.queensu.ca .

Threads of Life

This organization represents families who have experienced a workplace fatality, injury or illness. Working with the Ontario Federation of Labour, the Industrial Accident Prevention Association of Ontario and families, this two-year project will result in the development of a pilot peer support program, a facilitator's guide and a training program. The project is targeting families who have either experienced a workplace loss or had a loved one experience a life-altering injury or illness in the workplace. As part of the project, the group will hold a Family Forum and launch a Canadian support network.

University of Calgary

In conjunction with a union-management steering committee, the applicant is producing a 30-minute video featuring best practices in labour-management relations in Canada. The video will assist labour and management by highlighting activities that have proven successful for other companies, unions and industries. Emphasis will be placed on those practices which contribute to sustainable initiatives.

Visit the University of Calgary website at http://www.ucalgary.ca .

Westfair Foods Limited *and* **United Food and Commercial Workers Union, Local 247**

The objective of this project is to develop a system of labour-management cooperation and to support innovative labour-management solutions. Topics being covered include workplace safety, attracting and retaining workers and creating a more cohesive work environment with better communications. Cooperation between the parties will be documented in the form of videos, training manuals and standard operating procedures.

For more information, contact the Labour-Management Partnerships Program, Federal Mediation and Conciliation Service at (819) 994-5470 or 1-800-563-5677 or visit their WebsiteWebsite at

http://www.hrsdc.gc.ca, *click on: (1) Partnership and Funding, (2) Labour Partnerships.*

Labour-Management Partnerships Program

Federal Mediation and Conciliation Service, Labour Program

Creating a Respectful Workplace—A Successful Approach in Saskatoon, Saskatchewan

A project in Saskatchewan funded in part by the Labour-Management Partnerships Program—jointly sponsored by the City of Saskatoon and the Amalgamated Transit Union, the Canadian Union of Public Employees, the International Fire Fighters Association, the Public Service Alliance of Canada, the Saskatoon Civic Middle Management Association and the Exempt Staff Association.

Personal harassment can be a very difficult issue both for those who are directly involved, and for others in the workplace who are affected indirectly. The situation was no different for employees of the City of Saskatoon.

Background

Prior to the introduction of a Workplace Harassment Policy by the City in 1995, there had been no formal procedures to deal with harassment issues. Once the policy came into effect, Human Resources began to document cases, and over the years, found that personal harassment had become an important issue. There was concern that problems were not being handled effectively. Complaints were reaching a crisis level before a proper investigation took place and attempts were made to resolve the problem.

Informal discussions between employer and union representatives revealed a shared sense of unease about the effectiveness of the policy which led to a meeting in September 2002, between Human Resources and the city's unions and associations to discuss the issue. It was discovered that the resolution of complaints at a high level created a situation that resulted in continuing resentment. For example, witnesses were placed in a difficult position both during and after the problem was dealt with. There was an increased use of sick leave as well as transfers to other worksites. At times, unions were in the awkward position of defending members on opposite sides of a complaint.

The unions consulted with their memberships and reconvened with the City in October 2002, to determine how to improve the process. There was a sense that the issue of the City and personal harassment needed to be returned to the work place for resolution. A sub-committee made up of representatives from three of the nine unions/ associations and two representatives from Human Resources was established. The terms of reference for the sub-committee included the development

of a new policy. In addition, it was decided to provide conflict management training to managers, supervisors and union executives to provide the right tools for implementing the new policy. The final part of the project was to develop an effective communication plan to deliver the message to all employees.

A new "Respectful Workplace Policy" was developed to replace the personal harassment portion of the Workplace Harassment policy. In February 2003, the City instituted the new policy, and during the following two months meetings were held with 250 managers, supervisors and union executive members who were provided with information on the new policy and the training that would accompany it.

In order to resolve conflicts at an earlier stage, the new policy called for two informal steps followed, if necessary, by a two-step formal process. The training was designed to provide conflict resolution training to all those who might be required to use those skills, particularly at the early stages of the complaint process.

The Project

At this point, the City and the unions applied to the Labour Program of Human Resources Development Canada for funding under the Labour-Management Partnerships Program (LMPP). They asked for help in funding the training and communications part of this process. Working with a program officer from the Labour Program, the application was developed and an LMPP contribution of $26,100 was approved.

A two-day conflict resolution course was developed and delivered by a consultant. Groups of up to 20 at a time took the course and by the end of the project in December 2003, more than 300 employees had taken the training.

Course objectives included: the management of conflict constructively to support a respectful workplace; the development of essential skills for managing conflict constructively; and the dynamics that affect conflict situations. As well, a self-assessment tool was used to determine personal conflict-handling modes. One participant was particularly pleased with this aspect of the training and said: "The self-evaluation was great—know thyself."

The course was very well-received. The following replies were received to the post-course evaluation question "In what way can you apply the learning?"

- "Reframing. Seeking out the interests and not jumping to problem solving."
- "I think these skills can be used professionally and personally in every disagreement."
- "Should have learned this in high school …dealing with angry people anywhere."
- "By dealing with the small staff problems that arise on a daily basis."
- "Learn to gather the courage to deal with issues rather than avoidance."

The following replies were received to a second question: "What was the most valuable part of today's session?"

- "I may not use the process model to a tee; however, I do think I will be more aware of how to handle people, what is going on and how what I say affects others."
- "Focussing on being non-defensive and trying to learn how to really understand the messages being sent to me by another person."
- "How to identify problems, notice the signs and come to a peaceful conclusion."

What's Happened Since the Project Finished?

Two further conflict resolution sessions will take place in 2004, to accommodate the last 40 people who require training. To deal with future needs, the City will offer the course annually in order to train new employees. As well, the City created a one-day course for front-line staff on diffusing anger.

A Word About Communications and Marketing

Right from the start people realized that communications and marketing would form an integral part of the introduction and success of this project. Employee communication was kept in the forefront and both the City and the unions were active in getting out the message. The City's Communications Branch created a communications plan and hired a marketing company to create a "look" for the campaign.

With a modest budget of less than $5,000, and facing a large and diverse employee group (e.g. transit, administration, firefighters, sanitation, parks, etc.) the marketing company developed an effective graphic for the campaign: a plain white coffee cup—with personality! The campaign was so successful, the marketing company is submitting it for a communications award.

Final Comment

The project met with obvious success, which will have long-term benefits. One project participant summed it up: "Right from the beginning this was a joint project and we all had the same concerns. Involving everyone takes longer, but it's more effective."

Saskatoon Shines!

The views and opinions expressed in this document do not necessarily reflect the position of the Labour Program.

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Competitiveness and Collective Bargaining in Canada

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Introduction

This paper considers whether collective bargaining is changing in an era of globalization and trade liberalization. By examining selected collective bargaining indicators, it is possible to gauge the impact of competitiveness on labour-management relations generally and identify differences between the public and the private sectors. The collective bargaining indicators selected for study include (1) union density, (2) bargaining structure, (3) the duration of contract negotiations and length of collective agreements, (4) wage settlements and the union wage premium, and (5) strike activity.

The primary objective of this paper is to consider the net impact of competitiveness on the aforementioned collective bargaining indicators. In doing so, it is important to note that the availability of data varies across indicators. Accordingly, statistics have been collected from multiple sources and cover different time periods. At the same time, no systematic attempt has been made to examine the relationship between globalization and trade liberalization, on the one hand, and changes in collective bargaining, on the other. Our purpose is more modest and impressionistic. It attempts to draw inferences about the possible influence of these competitive forces on collective bargaining. It is recognized that observed changes may be due to various economic and political factors, for example, international competition, changes in domestic and industry-level competition, deregulation, macroeconomic influences (e.g. recessions) and changes to labour laws (Voos 1994).

Rise in Competitiveness

Competitiveness has been a major environmental factor in collective bargaining over the past 20 to 25 years. In the private sector, globalization, trade liberalization, deregulation, increased capital mobility, and new production technologies and methods have arguably strengthened the relative bargaining power of employers. In the process, these factors have influenced the ability of unions to take wages out of competition and worker militancy (Chaykowski and Gunderson 2001; Gunderson, Hyatt and Ponak 2001).

Many of the same forces have influenced labour relations in the public sector. The embrace, in whole or in part, of the notion of "reinventing government" has led to the adoption of "best practices" from the private sector; changes in the size, scope and role of government; and the introduction of more efficient approaches to the delivery of public services. Rising budget deficits and public debt in the early 1990s accelerated the drive to adopt cost-saving measures. Such measures included reductions in government expendi-

tures and public employment, restructuring of the public sector and the introduction of various wage restraint laws (Belman, Gunderson and Hyatt 1996; Swimmer 2001). According to Gunderson and Hyatt (1996: 245), competitiveness became an increasingly important factor shaping government policy and practice.

> Global competition and capital mobility have enhanced the importance of market forces in constraining political decision making with respect to legislative initiative and social policy. Political jurisdictions must now pay more attention to the implications of these policies for costs and competitiveness. In essence, different jurisdictions increasingly compete for business investment and the jobs associated with that investment. Such competition can be on the basis of reducing government expenditures and regulations, as well as on emphasizing government programs and infrastructures that can enhance competitiveness. This, in turn, can have important implications for the size and function of the public sector.

Less certain is the actual impact of increased competitiveness on labour-management relations. The pessimistic view suggests there will be increased conflict. The optimistic view emphasizes increased labour-management cooperation (Verma and Chaykowski 1999: 344).

> One view would hold that increasing competitive pressures from the environment would put the relationship under greater strain. This could, in turn, result in the deterioration of labour-management relations. Under this scenario, indicators of strife, such as strikes, grievances and arbitrations would increase. Another possibility is the parties would be driven closer together to face a common external threat. In this scenario, collective bargaining is viewed as a sufficiently flexible and accommodating process within which the parties can (successfully) adjust their expectations, tactics and strategies to meet the needs of the environment.

It is recognized that a number of factors have put pressure on the industrial relations system and collective bargaining in particular. For example, technological changes have increased competitive pressures, altered production processes and promoted organizational change. Legal changes supporting deregulation have promoted competitiveness, and a de-liberalization of labour laws has arguably constrained the ability of unions to recruit new members and restricted the practice of collective bargaining. An examination of collective bargaining indicators in the public and private sectors should shed light on the impact of competitiveness on labour-management relations.

Collective Bargaining Trends

Union Density

Union density in Canada averaged in the mid-30-per-cent range between 1980 and 1995, before declining to 31.9 per cent in 2002. Historically, tracking density trends by sector has relied on estimates because of the lack of reliable time series data and clear distinctions between private and public sector employment. Beginning in 1997, the *Labour Force Survey* (LFS) became a useful source for establishing density rates in the two sectors. The earlier estimates and the LFS series disclose significant differences in the level and direction of union density in the public and private sectors. Private sector density declined from an estimated 21 per cent in the mid-1980s to 19 per cent in 1997 and 18 per cent in 2002 (Godard 2003). Density in the public sector has remained stable for many years and stood at 72.5 per cent in 2002 or four times higher than in the private sector (Akyeampong 2001; Workplace Information Directorate 2002).

To some extent, the decline in private sector density is attributable to competitiveness as it was "greatest in manufacturing and natural resources sectors, which have been most susceptible to increased market pressures and capital flight since relaxation of trade barriers in the early 1980s" (Godard 2003: 470). However, two other factors have arguably assumed the major role. First, harsh economic conditions were a contributor as Canada experienced generally sluggish economic performance from the mid-1980s to the latter part of the 1990s. Second, political factors also made it more difficult for private sector unions to recruit new members and reverse the decline in density. Indeed, political forces may have more to do with union decline than market forces (Godard 2003). Whereas Canadian labour policy has facilitated union expansion for 50 years, neo-conservative governments in several Canadian jurisdictions have made organizing more difficult (basing certification on mandatory secret ballot votes rather than signed membership cards). By the same token, such changes have not undermined the fundamental right to join a union and bargain collectively. More broadly, labour law deregulation and attacks on industrial relations institutions (Burkett 1998) have not led to a paradigm shift or a convergence of Canadian and American collective bargaining laws. It is noteworthy that efforts to establish a right-to-work law in Alberta collapsed (Ponak, Reshef and Taras 2003).

In the public sector, unionization approached the saturation point by the late 1970s, and density has consistently been in the 70 to 75 per cent range. Over the past decade, the public sector experienced massive government restructuring and downsizing. For example, the senior levels of government responded to severe budget deficits by reducing staff levels by 15 to 22 per cent between 1991 and 1996 (Swimmer 2001). Although union membership levels were affected by austerity measures, public sector union density remained stable. As such, government responses to an increasingly global and competitive environment have not had a discernible impact on union density.

Bargaining Structure

Although current data are not available, bargaining structures in Canada have traditionally been highly decentralized. Over 80 per cent of the negotiating units covering 500 or more employees involve single-employer units (Craig and Solomon 1993). Consistent with international trends (Katz 1993), the private sector in Canada has experienced further bargaining structure decentralization and disruptions to pattern bargaining since 1980. Intensified international competition has given employers greater bargaining leverage to achieve collective agreements tailored to the individual firm and has limited the ability of unions to take wages out of competition. Changes in bargaining structures aimed at altering the long-run balance of power between the parties have frequently been associated with intense labour strife (Kochan 1980).

Some shifts in bargaining structure reflect changes in domestic competition. The most notable example was the demise of 40 years of national pattern bargaining in the meat-packing industry. This change was initiated by employers in response to a decline in product demand, a rise in low-wage, non-union competition and overcapacity (Forrest 1989). Globalization has contributed to structural changes, including a shift in bargaining from the corporate to the plant level at Stelco, Canada's largest steel producer (Frost and Verma 1999), fragmentation of bargaining structures in the pulp and paper and forestry industries in British Columbia (Kennedy 2000; Williamson 1994), and the decline of pattern bargaining in oil refining (Bourette 1996).

It must be noted that decentralization has not always been the response to globalization. Despite the internationalization of automobile production, pattern bargaining and three-year agreements remain intact in the Canadian automobile industry (Kumar 1999).

Conversely, competitiveness has contributed to the centralization of bargaining structures in the public sector. In the broader public sector, restructuring and rationalization led to the amalgamation of municipalities, school boards and health care institutions. These changes reflect efforts to reduce administrative costs and exert greater control over budget expenditures. In British Columbia, centralized bargaining outside the public service (already centralized) has been encouraged, and the Public Sector Employers' Council was created "to co-ordinate bargaining for most components of the public sector in the province, establishing an explicit role for the provincial government in collective bargaining, compensation, and human resources management for the first time" (Thompson 2000: 168).

Table 1

Average Monthly Duration of Negotiations

	Ontario			
Year	Public Sector	Private Sector	Total	National
1987	6.9	3.7	5.3	10.5
1988	6.8	4.4	5.6	9.2
1989	9.4	3.7	7.2	10.9
1990	7.0	3.6	5.3	10.2
1991	5.6	4.2	5.1	4.4
1992	8.2	4.1	6.3	7.9
1993	7.3	3.2	5.8	6.9
1994	7.6	4.4	6.5	7.5
1995	9.4	4.4	6.9	8.3
1996	10.4	3.6	7.9	11.2
1997	9.6	3.2	7.4	12.3
1998	12.9	3.8	8.8	11.8
1999	13.7	4.3	10.3	13.0
2000	7.0	3.6	5.8	11.9

Sources: Office of Collective Bargaining Information, Various years, *Ontario Collective Bargaining Review*, Toronto: Ontario Ministry of Labour; *Special Tabulation* provided by the Workplace Information Directorate, Human Resources Development Canada.

Duration of Contract Negotiations and Collective Agreements

Globalization and trade liberalization can be expected to lead to greater pressure on and intensification of the collective bargaining process. Table 1 presents Ontario and national figures on the duration of negotiations. Between 1987 and 1991, the duration of negotiations in Ontario typically averaged less than six months. In contrast, the duration of negotiations in subsequent years typically averaged more than six months. This pattern largely reflects changes in the public sector. Whereas the length of contract negotiations was relatively stable in the private sector (the annual average ranged from 3.2 to 4.4 months), the duration of bargaining in the public sector rose beginning in 1992 (the annual average ranged from 7.0 to 13.7 months). Between 1991 and 1999, more than 50 per cent of the public sector agreements took more than six months to complete and 25 per cent took more than 12 months to complete. The more protracted nature of public sector negotiations is largely a response to public sector restructuring. Although the national figures do not distinguish between sectors, the overall increase in average time spent in negotiations is likely a public sector phenomenon.

Table 2 provides figures on the duration of collective agreements in Ontario and nationally. Both sets of figures show the lengthening of collective agreements. For example, between 1987 and 1992, over 70 per cent of the collective agreements in Ontario were for 24 months or less, and about 20 per cent of the agreements were for 36 months (except in 1988). Agreements exceeding 36 months were rare (about 2.0 per cent of the total). From 1993 to 2000,

the proportion of agreements of 24 months or less was nearly halved, and 36-month agreements rose to over one-third the total (and reached 48 per cent of the total in 2000). There was also a steady rise in agreements exceeding 36 months (over 10 per cent of the total in each year after 1997). The average duration of contracts increased by 30 per cent, from 24.7 months in 1990 to 32.2 months in 2000 (Van Alphen 2001). The national figures are broadly consistent with this trend.

Table 2

Average Duration of Collective Agreements

Year	Ontario				National Average in Months
	24-Months or Less	25-35 Months	36 Months	36 Months or More	
	%	%	%	%	
1987	73.4	5.0	20.1	1.3	29.9
1988	61.8	4.2	32.4	1.6	25.3
1989	71.6	4.0	22.2	2.1	29.6
1990	74.0	3.7	20.9	1.4	28.4
1991	76.2	3.4	19.2	1.2	18.2
1992	72.7	4.2	20.8	2.3	24.3
1993	70.6	3.6	22.5	3.5	23.9
1994	51.8	5.3	37.8	5.1	28.4
1995	54.8	6.8	31.1	7.3	32.8
1996	56.1	5.4	31.6	6.8	32.6
1997	52.8	7.0	31.5	8.6	33.9
1998	49.8	5.3	34.5	10.4	32.1
1999	39.8	4.9	36.2	19.1	36.3
2000	34.3	5.2	48.1	12.4	34.9

Sources: Office of Collective Bargaining Information, Various years, *Ontario Collective Bargaining Review*, Toronto: Ontario Ministry of Labour; *Special Tabulation* provided by the Workplace Information Directorate, Human Resources Development Canada.

Although data are not available by sector, the longer collective agreements have been largely associated with private sector developments. For example, in Ontario and Quebec, longer contracts can be attributed to increased labour-management cooperation, economic instability, restructuring and the need to be competitive globally. In some cases, longer contracts have followed major labour disputes. The push for and achievement of long-term agreements in a number of major industries (e.g. steel, pulp and paper, and meat packing) reflects the increased bargaining power of employers (Van Alphen 2001). In Quebec, the emergence of social contracts (six-year agreements) sought to promote cooperative labour relations and was facilitated by amendments to the *Labour Code* to permit long-term collective agreements (the statutory maximum had been three years). This development offers perhaps the best example of how globalization has contributed to the creation of new labour-management partnerships (Murray, Levesque and Vallee 2000: 240).

For some, it is yet another sign of the weakening of union power in increasingly globalized markets. Unions are driven to micro-corporatist arrangements—enterprise loyalty being placed above union or industry loyalties. Others are convinced that this trend provides new opportunities to underwrite the institutional role of unions, and, by extension, the participation of their members in the life of the firm. What is clear is that a formal rule, in place for most of the period since the Second World War, has changed considerably in the last few years, and that this can be directly linked to globalisation.

Wage Outcomes

Over the past 20 years, there has been a downward trend in negotiated wage settlements covering bargaining units with 500 or more

employees (Table 3). In the 1980s, public sector wage settlements were higher than those in the private sector. Using a wage index (1979=100), the public sector wage index was marginally higher in 1990 (194.6 versus 193.4 for the private sector). The reverse was the case for most of the period after 1990. Using a wage index (1990=100), the private sector wage index in 2002 was 129.7 compared with 122.2 for the public sector. For the entire 1980–2002 period, the private sector wage index exceeded the public sector index (250.7 and 237.8, respectively). Wage settlements in both sectors lagged increases in the Consumer Price Index.

Table 3

Average Annual Increase in Wage Settlements and CPI

Year	Public Sector	Private Sector	Total	Annual Change in CPI
	%	%	%	%
1980	10.9	11.7	11.1	10.2
1981	13.1	12.6	13.0	12.4
1982	10.4	9.5	10.2	10.8
1983	4.6	5.5	4.8	5.9
1984	3.9	3.2	3.6	4.3
1985	3.8	3.3	3.7	4.0
1986	3.6	3.0	3.4	4.2
1987	4.1	3.8	4.0	4.3
1988	4.0	5.0	4.4	4.0
1989	5.2	5.2	5.2	5.0
1990	5.6	5.7	5.6	4.8
1991	3.4	4.4	3.6	5.6
1992	2.0	2.6	2.1	1.5
1993	0.6	0.8	0.6	1.9
1994	0.0	1.2	0.3	0.2
1995	0.6	1.4	0.9	2.2
1996	0.5	1.7	0.9	1.6
1997	1.1	1.8	1.5	1.6
1998	1.6	1.8	1.7	1.0
1999	1.9	2.7	2.2	1.7
2000	2.5	2.3	2.5	2.7
2001	3.2	3.0	3.1	2.6
2002	2.9	2.6	2.8	2.2
1980–1990 wage Index (1979=100)	194.6	193.4	194.3	196.1
1991–2002 wage Index (1990=100)	122.2	129.7	124.5	127.7
1980–2002 wage Index (1979=100)	237.8	250.7	241.9	250.4

Sources: Akyeampong (2001); Workplace Information Directorate, Human Resources Development Canada (2003).

The major economic forces influencing wage settlements in the private sector have been recessions and moderate rates of inflation. Competitive pressures created by globalization, trade liberalization, increased capital mobility and new production technologies have undoubtedly contributed to the decline in wage settlements as well. In some cases, employers have backed their demands for wage concessions with threats to close facilities. For unions, the ability to take wages out of competition has been reduced, and shifts in relative bargaining power have forced them to moderate wage demands and focus on membership demands for greater job security (Chaykowski 2001). This is supported by a recent survey in which a majority of union representatives reported that the bargaining environment has been influenced by growing domestic and international competitive pressures. Another three-quarters of the respondents proclaimed that management had increasingly pursued cost-reduction strategies (Kumar and Murray 2001).

In the public sector, budget deficits and restructuring measures, which included stringent wage restraint legislation, constrained wage bargaining

in the 1990s. At the federal and provincial levels, 11 of the 15 governments in power during the 1990s relied on legislative action exclusively or in conjunction with adversarial bargaining to achieve their objectives. A variety of restraint measures were imposed on public sector workers, including wage freezes, wage rollbacks, unpaid leaves of absence and limits on wage increases (Swimmer 2001). As a result, public-sector wage settlements consistently lagged private sector settlements throughout the 1990s. Even though public sector settlements were higher after 2000, they have not resulted in appreciable wage catch-up. This is significant for two reasons. First, since 1997 Canada has experienced robust economic growth, and most senior governments have eliminated their budget deficits. Second, in the past, public-sector unions have been able to achieve significant wage catch-up after falling behind the private sector (Gunderson 1995). These results suggest that relative bargaining power has shifted in favour of governments and broader public sector employers.

There is also some evidence to suggest the union impact on wages is declining. Renaud (1998) found the union-non-union wage differential declined from 15 to 25 per cent in the late 1970s to about 10 per cent in the late 1980s. By the late 1990s, the union wage premium was about 8.0 per cent (Gunderson, Hyatt and Riddell 1999; Fang and Verma 2002). It is not entirely clear whether this change reflects a decline in union bargaining power resulting from increased competitiveness or a strategic shift in union bargaining priorities favouring job security (Gunderson and Hyatt 2001). Nevertheless, it does appear that decentralization has curtailed the ability of unions to take wages out of competition in several industries.

Declining union influence is further evidenced by the disappearance of decrees in the manufacturing industry in Quebec. The decree system, which was established in the 1930s, provides for the extension of collectively bargained terms and conditions of employment to other union and non-union firms in a sector or geographic area. The demise of decrees illustrates how globalization has affected the balance of power between unions and employers. Specifically, by reinforcing employer arguments, competitiveness has become an increasingly important criterion shaping changes in labour policies (Murray, Levesque and Vallee 2000: 241).

> ... globalization meant that competitiveness arguments had become a relevant criterion for the evaluation of social policy and had legitimized the role of the ministries with a primarily economic focus, such as industry and finance, in the reform of social policies. This new role was similarly in evidence in the suppression of a maximum length for the duration of collective agreements.

Strike Activity

Strike activity generally increases in periods of economic expansion and declines when the economy is stagnant or in recession. Beginning in the mid-1960s, there was an upturn in strike activity that produced extremely high strike levels in the 1970s. This was followed by "moderate and declining levels throughout the 1980s, and a sharp drop in the 1990s" (Gunderson, Hyatt and Ponak 2001: 317).

The pattern of strike activity is broadly consistent with the wage settlement trend. As shown in Table 4, the average annual number of strikes and person-days lost in the 1990s was approximately half the number recorded in the 1980s. Although strike activity declined in both the private and the public sectors, the decline was greater in private sector. As a result, the public sector's share of total strike activity increased. From 1995 to 2002, public employees accounted for over 40 per cent of all person-days lost in

Canada, up from approximately 27 per cent in the preceding decade. In addition, public sector strikes increased from less than 20 per cent of all stoppages (1985–1994) to over 25 per cent of the total since 1995.

The overall decline in work stoppages is part of an international trend over the past two decades. As such, the pattern appears to be closely linked to the recessions in the early 1980s and 1990s. Although it is believed that globalization and trade liberalization have contributed to the downward spiral in work stoppages, the extent to which this is so is somewhat uncertain. At the same time, increased international competition has compelled employers and unions to recognize and respond to economic difficulties (Gunderson, Hyatt and Ponak 2001: 349).

> In essence, there is less need to fight over the 'spoils' when there are no spoils to divide! The joint cost to both parties of engaging in strikes is also higher since competitors from abroad may permanently replace the lost output and the jobs associated with that output. Furthermore multinationals may locate their new plants and investment in countries where there is less risk of strikes.

Table 4

Total Work Stoppages and Public Sector Share of Strike Activity, 1980–2002

Year	Total Number of Stoppages	Public Sector Share	Total Person-Days Lost	Public Sector Share
		%	000's	%
1980	1,028	23.7	9,130	35.0
1981	1,049	25.6	8,850	25.0
1982	679	17.8	5,702	15.7
1983	645	14.7	4,441	47.9
1984	717	15.1	3,883	14.7
1980–84 (mean)	824	20.4	6,401	28.1
1985	825	19.1	3,126	20.1
1986	748	17.1	7,151	11.1
1987	668	15.7	3,810	23.2
1988	548	13.9	4,901	44.2
1989	627	22.2	3,701	44.8
1985–89 (mean)	683	17.7	4,538	27.0
1990	579	20.6	5,079	15.5
1991	463	24.8	2,516	56.7
1992	404	19.8	2,110	23.5
1993	382	22.3	1,517	23.4
1994	374	14.7	1,600	25.8
1990–94 (mean)	440	20.7	2,564	27.2
1995	328	16.8	1,582	11.6
1996	330	23.0	3,340	41.6
1997	284	20.1	3,573	54.6
1998	381	31.5	2,444	26.0
1999	413	32.7	2,446	42.4
1995–99 (mean)	347	25.5	2,677	38.8
2000	377	26.5	1,662	35.5
2001	381	29.9	2,204	52.8
2002	293	20.8	3,034	54.9
2000–02 (mean)	350	26.1	2,300	49.5

Sources: Calculations based on Peirce (2003) for 1980–2000; *Special Tabulation for 2001–2002* provided by the Workplace Information Directorate, Human Resources Development Canada.

In addition to influencing wage trends, globalization and increased competitiveness have impacted on the relative bargaining power of unions and employers. With increased capital mobility and new production methods, "firms' production is no longer tied to specific regions or product markets" (Chaykowski 2001: 250). These and other pressures have not only made it more difficult for unions to take wages out of competition, but they have also moderated union militancy and fostered increased labour-management cooperation in some cases.

In the public sector, restructuring and downsizing have often been accompanied by wage restraint laws. These have affected strike activity by either removing the right to strike, limiting the opportunity to strike by extending the term of the collective agreement, or reducing the utility or feasibility of strike action in the face of imposed restrictions on compensation increases. By the late 1990s, economic expansion, fiscal stability and the removal of most public sector wage restraints altered the climate for collective bargaining. Unfortunately, the normalization of bargaining in the post-retrenchment period has not produced more conciliatory labour-management relations. On the contrary, public sector unions have increasingly sought wage catch-up and labour unrest has intensified. As noted above, governments and broader public employers remained fiscally vigilant and were largely successful in resisting these demands.

Summary and Conclusions

These results disclose important changes in the collective bargaining process and outcomes. Overall, the leading indicators of change are lengthier contract negotiations, longer collective agreements and declining wage settlements and strike activity. Other indicators—union density and bargaining structure—either remained relatively stable or exhibited only modest changes.

One issue raised by global competitiveness is whether it would lead to lower unionization and the convergence of labour laws in Canada and the United States. Our results indicate that union density has remained relatively stable since 1990. Global competitiveness has not seriously undermined union strength, nor is there evidence of a convergence of collective bargaining laws with those of the United States. Although union membership gains have not kept pace with labour force growth, unions have successfully recruited new members to help offset losses due to attrition. In the public sector, where downsizing reduced both employment and union membership, there has been no appreciable impact on union density.

Given that unionization remained relatively stable in an era of increased competitiveness, have labour-management relationships become more strained or is there greater cooperation? In the private sector, we can point to reduced labour-management strife (lower strike activity) and greater flexibility and mutual accommodation (longer contracts and modest wage settlements). Although the impetus for longer contracts and wage moderation came from employers, such agreements often include union quid pro quos (e.g. increased employee involvement, improved job security and enhanced pension benefits). These changes reflect the ability of employers to achieve long-run stability, contain wage costs and minimize labour unrest. By the same token, adversarial bargaining strategies have not disappeared altogether, as evidenced by disputes associated with employer efforts to fundamentally alter bargaining structures. Nevertheless, the overall tenor of these relationships exhibits increased flexibility, accommodation and cooperation.

In contrast, the public sector has witnessed the centralization of bargaining structures; more protracted negotiations, but no change in the duration of collective agreements; more modest wage gains; and less substantial reductions in strike activity followed by a significant increase after 1997. Whereas developments in the private sector have been more directly influenced by the interplay of economic forces, governments have generally eschewed collective bargaining and relied on legislative fiat to alter bargaining structures, processes and outcomes. The legislative option has been pursued because it offers the prospect of quick and dependable results. In contrast, cooperative strategies are slow and

offer no guarantees of success. Adversarial hard bargaining can also be time-consuming and may lead to work stoppages (Swimmer 2001). While the extensive reliance on legislation may have produced short-run gains for governments, it has been at the expense of achieving mutual accommodation and greater cooperation. Indeed, despite the emergence of a more favourable limate for bargaining in the late 1990s—improving economic conditions, subsiding budget problems and the removal of most legal restraints—the public sector experienced a rise in labour-management conflict. While it may no longer be accurate to suggest governments perceive their employees as a cost to be minimized, it is also difficult to assume that they perceive their employees as a source of value to be increased (Swimmer 2001). It would appear that continuing pressures to be fiscally vigilant and adopt policies to enhance competitiveness, including contracting-out and privatization or the threat to employ such strategies, have contributed to the deterioration of labour-management relations.

Despite these differences, relative bargaining power has increased for employers in both the private and the public sectors. This is reflected in several of our indicators. Where changes in bargaining structure occurred, they were initiated by employers or by government (occasionally at the behest of public employers). Whether one looks at decentralization, the breakdown of pattern bargaining or centralization in the public sector, the employer-side (or government) has had sufficient leverage to alter structures and realign relative bargaining power. The adoption of longer-term collective agreements and the decline in wage settlements and strike activity are also indicative of a shift in relative bargaining power in favour of employers. They reflect the ability of employers to achieve long-term stability, contain wage costs and minimize labour disruptions. They also signify the reduced ability of unions to take wages out of competition in some sectors. As for the recent upturn in public sector strike activity, it largely reflects the successful effort by employers to resist union demands for catch-up wage settlements in the post-retrenchment period.

The remaining issue is which factors account for the overall increase in the relative bargaining power of employers? While international competition has undoubtedly contributed to these trends, its net effect appears relatively modest. In particular, the shift in relative bargaining power has been more heavily influenced by domestic factors. Economic recessions, modest inflation over the past decade, the rise of neo-conservatism, deregulation policies and government wage restraint laws have had a larger impact on wage settlements and strike activity. Other changes, notably increases in contract duration and alterations to bargaining structure and pattern bargaining have reflected efforts by private sector employers to respond to both increased domestic and international competition.

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Globalization and International Labour Cooperation Agreements

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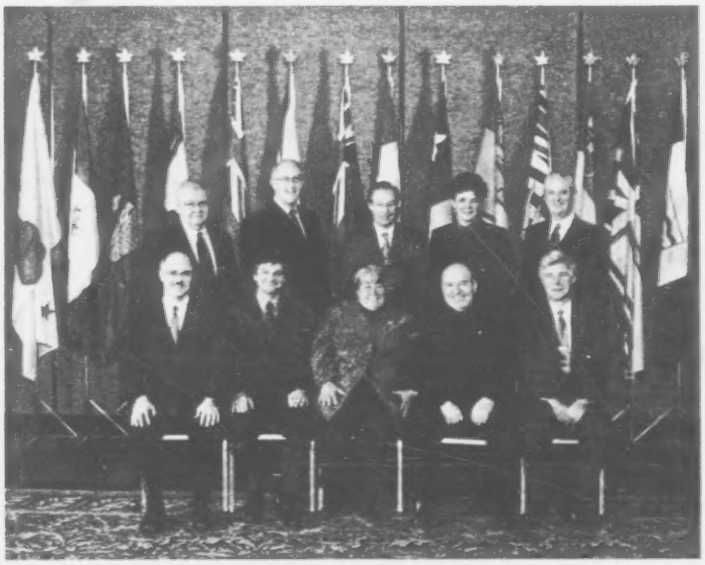
"It's a small world" may seem like an over-used cliché, but if one economic and social theme underscores the dawn of the 21st century, it's globalization. Canada's success in this new century depends upon how we approach the challenges of globalization and its effects on Canadian workers and employers.

In January 2004, in Banff, Alberta, federal, provincial and territorial Labour ministers looked at an important element of Canada's strategy to harness the forces of globalization for the benefit of workers both in Canada and abroad. At their annual meeting, hosted by the Honourable Claudette Bradshaw, Federal Minister of Labour and Minister responsible for Homelessness, and the Honourable Clint Dunford, Minister of Alberta Human Resources and Employment, ministers focused on the labour aspect of international trade.



Federal-Provincial-Territorial Meeting of Ministers responsible for Labour, Banff, Alberta, January 22–23, 2004

Back row from left to right: Minister Elmer MacFayden, Prince Edward Island; Minister Kerry Morash, Nova Scotia; Minister Michel Després, Quebec; Minister Debra Higgins, Saskatchewan; and Minister Charles Dent, Northwest Territories.

Front row from left to right: Minister Tom Osborne, Newfoundland and Labrador; Minister Chris Bentley, Ontario; Federal Minister Claudette Bradshaw; Minister Clint Dunford, Alberta; and Minister Graham Bruce, British Columbia.

The ministers reviewed an approach to provincial and territorial participation in Canada's international labour cooperation agreements. Labour cooperation agreements are side agreements to free trade agreements, which require signatory countries to respect and promote fundamental labour principles and the rights of workers. The new approach is an important step in deepening provincial and territorial involvement in the negotiation and implementation of international labour cooperation agreements.

The ministers further agreed that the Canadian Association of Administrators of Labour Legislation will prepare a draft of an intergovernmental agreement to be signed between individual provinces, territories and the Government of Canada. This agreement will describe how provinces and territories can participate in managing new labour cooperation agreements and in handling disputes over labour issues with our international trade partners. Provincial involvement in the intergovernmental agreements is important to the success of Canada's international labour cooperation agreements since most Canadian workers fall under provincial and territorial labour legislation.

Through international labour cooperation agreements, Canada promotes improved living standards and working conditions, and workers' rights abroad. Canada has signed agreements with Mexico, the United States, Chile and Costa Rica. These agreements build upon Canada's commitment to fundamental human rights, in particular the principles and rights set out by the International Labour Organization in its *Declaration on Fundamental Principles and Rights at Work*. These fundamental principles include: freedom of association and collective bargaining, the abolition of forced labour and child labour, and the elimination of discrimination in employment. The Declaration is important not only because of its wide acceptance by both business and labour, but also because it explicitly defines, based on a global consensus, the most fundamental labour rights.

A key element to improved living and working conditions is the promotion of core labour standards and one of the principal objectives of the agreements is the effective enforcement of labour legislation by all parties. Partnership and cooperation are important to the success of these agreements and cooperative activities allow countries to share information and best practices in such areas as industrial relations, occupational health and safety, labour standards, and employment and pay equity.

These agreements also allow Canada to:

- Support an international development strategy based on equitable economic growth, good governance, and the rule of law. The rule of law, as well as transparent and effective enforcement of labour legislation, supports business and commercial development and more equitable income distribution;
- Build upon our commitment to fundamental human rights, in particular the principles and rights set out by the International Labour Organization in its *Declaration on Fundamental Principles and Rights at Work*;
- Support a broad-based approach to trade and economic integration that takes into account and promotes the well-being and rights of workers and;
- Protect Canada's economic interests by seeking to ensure that legitimate government policies and actions balance the interests of workers and employers and do not become a disadvantage in competition for international trade and investment.

The ministers of Labour meet every year to share experiences and promote cooperation among labour jurisdictions in Canada. Throughout the year, ongoing work continues through the Canadian Association of Administrators of Labour Legislation, which was established in 1938 as a forum for the exchange of information and ideas about the administration of labour legislation in Canada, as well as other labour-related issues. All jurisdictions enjoy equal membership status within the association. Membership includes the deputy ministers of federal, provincial and territorial departments with responsibility for labour, as well as several chief executive officers of occupational health and safety agencies.

Selection of Recent Changes in Canadian Labour Laws

Adopted Bills, Regulations and Other Statutory Instruments

MICHEL GAUVIN, CHARLES PHILIPPE ROCHON and ANNICK DELISLE
Strategic Policy and International Labour Affairs
Labour Program

Federal: *Order Fixing January 4, 2004 as the Date of the Coming into Force of Certain Sections of the Budget Implementation Act, 2003*; SI/2003-185; Canada Gazette, Part II, of December 17, 2003

Amendments made by the *Budget Implementation Act, 2003* to the *Employment Insurance Act*, the *Employment Insurance (Fishing) Regulations* and the *Canada Labour Code* came into force on January 4, 2004. These amendments pertain to new compassionate care benefits.[1]

Federal: *Regulations Amending the Employment Insurance Regulations* under the *Employment Insurance Act*; SOR/2003-393; Canada Gazette, Part II, of December 17, 2003

To complement the amendments made to the *Employment Insurance Act* by the *Budget Implementation Act, 2003* regarding compassionate care benefits, this Regulation brought a number of consequential amendments to the *Employment Insurance Regulation*. These allow compassionate care benefits to be treated in the same manner as maternity and parental benefits under various provisions (e.g. in determining what constitutes an interruption of earnings, what types of money are considered earnings for EI benefits purposes and the rules that apply as regards a wage-loss indemnity or other similar supplemental unemployment benefit plan provided by an employer).

Three new sections were also added to the *EI Regulations*. The first of these new sections (s. 41.1) defines what constitutes *care or support* to a family member. As a result, to qualify for compassionate care benefits, a claimant must "directly provide or participate in providing care to the family member," "provide psychological or emotional support to the family member" or "arrange for the care of the family member by a third party care provider."

The second section (s. 41.2) specifies who, other than a medical doctor in Canada, may issue a medical certificate attesting to a family member's serious medical condition and significant risk of death within 26 weeks. (A person must obtain such a medical certificate to qualify for compassionate care benefits under the *EI* Act and compassionate care leave under the *Canada Labour Code*.[2]) If the family member requiring care or support is in a geographic location in Canada where treatment by a medical doctor is not readily available, a medical certificate may be issued by a medical practitioner

— Please note that this article is based on labour legislation adopted or proclaimed before March 15, 2004.

[1] For more details, please refer to the summary of the *Budget Implementation Act, 2003*, in the Summer 2003 issue of the *Workplace Gazette*, Vol. 6, No. 2.

[2] This also has an impact on the definition of "qualified medical practitioner" under Nunavut's *Labour Standards Act*.

designated by a medical doctor to provide treatment. If the family member is outside Canada, the medical certificate must be issued by a medical doctor "who is recognized by the appropriate government authority and has qualifications that are substantially similar to those of a medical doctor in Canada" or, in geographic locations where no such medical doctor is readily available, by a medical practitioner designated by a medical doctor to provide treatment to the family member.

Finally, the third section (s. 41.3) sets out the rules for dividing the six weeks of compassionate care benefits where two or more persons make a claim for benefits in relation to the same family member but cannot agree on how they should be shared. In such a case, benefits are to be paid one week at a time to eligible claimants in turn, starting with the first family member to make a claim, until the six weeks of benefits have been exhausted.

The above amendments came into effect on January 4, 2004.

British Columbia: Proclamation of sections 1 to 15 of the *Skills Development and Labour Statutes Amendment Act, 2003* and amendments to the *Employment Standards Regulation* under the *Employment Standards Act*; B.C. Reg. 431/2003; British Columbia Gazette, Part II, of January 12, 2004

Amendments to the *Employment Standards Act* (ESA) contained in the *Skills Development and Labour Statutes Amendment Act, 2003*, including changes to provisions regarding the hiring of children, came into effect on December 14, 2003.[3]

In addition, new rules pertaining to conditions of employment for children have been added to the *Employment Standards Regulation* (ESR). This includes general provisions concerning youth employment and different provisions for children in the entertainment industry. According to British Columbia's Minister of Skills Development and Labour, these rules mirror conditions that previously applied under Employment Standards Branch policies regarding the granting of child hiring permits.

General Rules for the Employment of Youth

The *ESR* now prohibits employers from requiring or allowing a child who is 12 or more but under 15 years of age to work:

- during school hours;
- for more than four hours on a school day;
- for more than seven hours on a non-school day, unless written approval of the Director of Employment Standards is first obtained;
- for more than 20 hours in a week that has five school days;
- for more than 35 hours in a week in any other case.

Section 37 of the *ESA*, which deals with agreements to average hours of work, does not apply to these children.

Moreover, employers must ensure that employees of 12, 13 and 14 years of age work under the direct and immediate supervision of a person who is at least 19 years old.

Rules for Children in the Entertainment Industry

Children in the entertainment industry—i.e. children under 15 years of age working as actors, including background performers and extras, in the film, radio, video, television, or television and radio commercials industry—are covered by different rules than those that apply to other child employees.

[3] See Winter 2003 issue of the *Workplace Gazette*, Vol. 6, No. 4.

Employers in the entertainment industry do not require a permit from the Director of Employment Standards (the director) to employ a child actor of any age, as long as written consent is obtained from the child's parent or guardian. However, in no case may a person employ a baby who is less than 15 days old.

The *ESA*'s provisions regarding split shifts, daily and weekly rest periods and hours of work averaging agreements do not apply to children in the entertainment industry. Instead, other restrictions on hours of work have been put in place.

A workday must end eight hours after reporting to work, in the case of a child under 12 years of age, and 10 hours after reporting to work if the child is at least 12 but less than 15 years old. Unless prior written approval is received from the director, a child's shift may not start earlier than 5:00 a.m. or end later than 10:00 p.m. if the next day is a school day or 12:30 a.m. otherwise. If the child's school is not in session, a shift may not end later than 2:00 a.m.

Split shifts are forbidden and meal breaks are limited to one hour each.

With respect to rest periods, child actors are entitled to a minimum break period after spending a specified amount of time before a recording device (e.g. a camera or sound recorder). Children of less than three years of age must be provided a break of at least 20 minutes[4] after spending 15 consecutive minutes before a recording device; those aged at least three but less than six are entitled to a break of 15 minutes after 30 consecutive minutes of recording; children who are six to less than 12 years of age and those aged 12 years or more are entitled to 10 minutes after spending, respectively, 45 or 60 consecutive minutes before a recording device. Employers of such children must also either provide them 48 consecutive hours free from work each week or, instead, pay them 1½ times their regular wage for any time worked during that period. As well, the employer must ensure that a child actor has at least 12 consecutive hours free from work between each shift and/or before the start of a school day. Furthermore, the *ESR* now stipulates that an employer may not require or allow a child to work more than five days in a week or, with the written approval of the director, more than six days in a week.

While on a production set, child actors must be chaperoned. The *ESR* specifies who may and who may not act as a chaperone and the maximum number of children who may be chaperoned by the same person.

Finally, a provision has been added to ensure that 25 per cent of a child actor's earnings exceeding $2,000 on a production are remitted to the Public Guardian and Trustee to be held in trust for the child.

The above amendments to the *ESR* came into effect on December 14, 2003.

British Columbia: Amendments to Subsection 1(1) of the *Employment Standards Regulation* under the *Employment Standards Act*; B.C. Reg. 432/2003; British Columbia Gazette, Part II, of January 12, 2004

On November 27, 2003, the definition of "farm worker" in the *Employment Standards Regulation* was broadened to include employees of a farm, ranch, orchard or agricultural operation whose principal employment responsibilities consist of:

- directly selling the farm's products, on-site, during the normal harvest cycle; or
- performing the initial washing, cleaning, sorting, grading or packing unprocessed products from the farm, or similar products purchased from another operation, during the normal harvest cycle.

[4] Breaks must be given in one unbroken period.

Farm workers in British Columbia are not covered by the hours of work,[5] overtime and statutory holiday provisions of the *Employment Standards Act*.

Manitoba: *Employment Standards Code Amendment Act*; Bill 4; Assented to December 4, 2003

This Act added new compassionate care leave provisions to the *Employment Standards Code* (ESC) and improved job protection for employees who take a family-related leave.

Compassionate Care Leave

An employee who has been employed by his/her employer for at least 30 days is entitled to eight weeks of unpaid leave to provide care or support to a seriously ill family member who has a significant risk of dying within a period of 26 weeks, as attested by a physician's certificate. "Family member" is defined as the employee's spouse, common-law partner (a "person who, not being married to the other person, is cohabiting with him or her in a conjugal relationship of some permanence"), child or parent, the child of the employee's spouse or common-law partner, or the spouse or common-law partner of the employee's parent.[6] The eight weeks of leave may be divided in no more than two periods of at least one week each, the second period ending no later than 26 weeks after the day the first period of leave began. There is no requirement that leave be shared when two or more employees provide care or support to the same person. Furthermore, the *ESC* does not specify whether or not leave must end earlier if the family member dies before it has expired.

An employee who wishes to take compassionate care leave must give notice of at least one pay period to the employer, "unless circumstances necessitate a shorter period." A copy of the physician's certificate must also be given to the employer as soon as possible. The employee is allowed to end his/her leave before it expires, but must first provide at least 48 hours' notice to the employer, unless both agree otherwise.

Job Protection for Employees Taking Leave

As is the case for employees taking maternity or parental leave, an employee whose compassionate care leave ends has the right to be reinstated in the position he/she occupied when the leave began, or in a comparable position with at least the same wages and other benefits. For the purpose of pension and other benefits, employment before and after the leave is deemed to be continuous. However, an additional subsection specifies that an employer may nevertheless lay off an employee, terminate his/her employment or refuse to reinstate him/her for reasons unrelated to a leave.

To the *ESC* were also added new complaint provisions and remedies for employees who are dismissed or laid off by reason of pregnancy or because they intend to take, or have taken, a pregnancy, parental or compassionate care leave. An employee in such a situation may file a complaint with an employment standards officer within six months of the date of the layoff or termination, or within six months after the date he/she should have been reinstated.

Where an officer investigating such a complaint determines that a contravention has indeed occurred, he/she may, by order, require that the employer pay compensation for any loss incurred by the employee as a result of the contravention, reinstate the employee, or do both. The employer must also pay administrative costs equal to 10% of any compensation ordered (although the amount of administrative costs may not be less than $100 and no more than $1,000). An order to pay compensation is deemed

[5] Except for the prohibition on excessive hours of work.

[6] It is possible to expand this definition by regulation.

to be an order for the payment of wages for the purposes of the *Code*'s enforcement provisions, except that no maximum amount applies.

A person named in an order may request that the Director of Employment Standards refer the matter to the Manitoba Labour Board. The deadline for making such a request is 30 days after the order is served on the person.

The *Employment Standards Code Amendment Act* came into force on January 4, 2004.

Manitoba: *Minimum Wages and Working Conditions Regulation, amendment* under the *Employment Standards Code*; Regulation 25/2004; Manitoba Gazette, Part II, of February 21, 2004

The minimum wage in Manitoba will increase from $6.75 to $7.00 an hour, effective April 1, 2004.

It should also be noted that the provincial Minister of Labour and Immigration announced, in an official news release on December 4, 2003, that she will convene a new Minimum Wage Board in 2004.

New Brunswick: *Minimum Wage Regulation* under the *Employment Standards Act*; New Brunswick Reg. 2003-82; Royal Gazette of November 26, 2003

This Regulation repealed and replaced the previous *Minimum Wage Regulation* (*N.B. Reg. 2002-15*). On January 1, 2004, it increased the minimum wage rate in New Brunswick from $6.00 to $6.20 per hour, for the first 44 hours worked in a week, and from $9.00 to $9.30 for each additional hour worked in the same week (reflecting the overtime rate). The minimum wage for employees whose hours of work are unverifiable and who are not strictly employed on a commission basis was also raised from $264.00 to $272.80 per week.

New Brunswick: *An Act to Amend the Employment Standards Act*; Bill 8; Assented to December 19, 2003

This Act amended the *Employment Standards Act* (ESA) to allow an employee to take up to eight weeks of unpaid compassionate care leave to provide care or support to a person in a *close family relationship* (i.e. a spouse, parent, child, sibling, grandparent, grandchild or a person with whom the employee has a relationship in which they "demonstrate an intention to extend to one another the mutual affection and support normally associated" with one of the family relationships mentioned above[7]) if this person has a serious medical condition with a significant risk of death within a period of 26 weeks, as attested by a medical certificate.

The leave, which may be fractioned in segments of at least one week each, automatically ends after the expiration of a specified 26-week period or, if earlier, at the end of the week in which occurs the death of the person with whom the employee has a close family relationship. In addition, the leave must be shared where two or more employees wish to avail themselves of these provisions to provide care or support to the same person.

There is no length of service requirement, but an employee who intends to take compassionate care leave must advise the employer as soon as possible of the anticipated commencement date and duration of the leave. A copy of the medical certificate must also be provided to the employer if the latter requests it in writing within 15 days of the employee's return to work.

As is the case for other leaves under the *ESA*, an employee who takes compassionate care leave continues to accrue seniority and is deemed to be continuously employed with the same employer during the leave. The *Act* also prohibits an employer

[7] Two persons may be deemed to be in a close family relationship even though they are not married and are not related by blood.

from dismissing, suspending of laying off an employee during a compassionate care leave or for reasons arising from the leave alone.

These provisions came into force on January 4, 2004.

Northwest Territories: *An Act to amend the Safety Act*; Bill 23 Assented to October 10, 2003

This Act brought amendments to the *Safety Act*. It came into force on January 1, 2004, except for provisions dealing with safety programs which will come into force by order of the Commissioner of the N.W.T. The most significant amendments are as follows:

- The definition of "employer" has been modified to include an "owner" and a person having charge of "an establishment in which one or more workers are engaged in work" (previously, the definition referred to "an establishment in which one or more persons are employed").
- The *Act* now provides that, if two or more employers have charge of an establishment, the principal contractor or, if there is none, the owner of the establishment must coordinate the activities of all employers in the establishment for health and safety purposes.
- Duties are imposed on suppliers of any tool, equipment, machine, device or any biological, chemical or physical agent used at establishments.
- It is provided that every employer must implement and maintain the applicable prescribed safety program for its work site and, if required by the regulations or if directed by the Chief Safety Officer, must establish a joint work site health and safety committee as part of the program. When there are two or more employers at a work site, they must jointly implement and maintain a safety program if one is required. (As mentioned above, these provisions have not yet taken effect.)
- Provisions relating to the disclosure of information have been amended in recognition of the Workers' Compensation Board's responsibility for administering the *Act*, the *regulations* and other legislation, in recognition of the need to share information with other governmental agencies or departments in Canada and with regulatory bodies or agencies approved by the Board, and to take into account the *Access to Information and Protection of Privacy Act*.
- It is now provided that the identity of persons from whom information is obtained in confidence under the *Act* can only be disclosed when this is necessary to investigate or prosecute an alleged contravention of the legislation (previously, the names of such persons could be disclosed when this was required for the purposes of the *Act* or the *regulations*).
- A safety officer is authorized to give notice to an employer that, if his/her direction arising out of an inspection is not carried out, a further direction may be given to address a potential danger, and, in the event of a subsequent non compliance with a direction in respect of which such a notice was given, the safety officer has the power to order that a place, matter or thing not be used until the direction is complied with.
- The Chief Safety Officer is given the power to approve and issue codes of practice to provide practical guidance with respect to the requirements of the *Act* or the *regulations*.
- Lastly, a Safety Advisory Committee, including an equal number of members representing workers and employers, is established to make recommendations respecting amendments to the *Act* and *regulations* that it determines are needed.

Northwest Territories: Proclamation of sections 1, 16 to 20, 22 to 28, 68, 74, 76 and 77 of the *Human Rights Act*; Northwest Territories Gazette, Part II, of December 31, 2003

Sections of the *Human Rights Act* providing for the establishment of the Human Rights Commission and the appointment of the Director and Deputy Directors of Human Rights, as well as provisions setting their powers, duties and functions, came into effect on January 1, 2004.[8]

Nova Scotia: Regulations under the *Labour Standards Code* (amendments); N.S. Reg. 200/2003, 201/2003 and 202/2003; Royal Gazette, Part II, of December 1, 2003

These regulations, which came into force on December 12, 2003, amended the *General Labour Standards Code Regulations* and the *Minimum Wage Order (General)*, repealed the *Minimum Wage Order (Road Building and Heavy Construction Industry)* and replaced it with the *Minimum Wage Order (Construction and Property Maintenance)*.

These regulatory changes follow recent amendments to the *Labour Standards Code*'s (LSC) overtime provisions. The *LSC* now provides that employees are entitled to 1½ times their regular rate of pay for hours worked in excess of 48 in a week.[9]

General Regulations

Amendments to the *General Labour Standards Code Regulations* have excluded numerous occupations and industries from new overtime pay requirements (some of these groups are nevertheless still covered by previously existing overtime rules contained in the *Minimum Wage Order (General)*—i.e. entitlement to at least 1½ times the *minimum wage* rate for hours worked in excess of 48 in a week):

- duly qualified practitioners or students engaged in training for architecture, dentistry, law, medicine, chiropody, professional engineering, public or chartered accounting, psychology, surveying and veterinary science;
- apprentices under apprenticeship agreements;
- trainees under government-sponsored and government-approved plans;
- employees at a playground or summer camp that is operated on a non-profit basis;
- licensed insurance agents;
- employees and employers covered by the *Minimum Wage Order (Logging and Forestry Operations)* or the *Minimum Wage Order (Construction and Property Maintenance)*;
- watches, janitors or building superintendents in buildings that include their place of residence;
- health or personal care providers, if the client is providing a residence as part of the terms of employment;
- employees in the transport industry;
- employees who are paid on a flat rate basis and work as automobile mechanics or auto body shop technicians;
- workers in the shipbuilding, ship repair, oil and gas industries, or related activities other than retail;
- individuals holding specified positions at the deputy minister level in the provincial civil service;
- employees of enterprises engaged in primary processing or related activities in the agriculture, Christmas tree or fishing industry, but not meat processing; and

[8] The *Human Rights Act* was described in the Spring 2003 issue of the *Workplace Gazette*, Vol. 6, No. 1.

[9] Amendments brought to the LSC by the *Retail Business Uniform Closing Day Act (amended)* and *Labour Standards Code (amended) (Bill 2)* were summarized in the Winter 2003 issue of the *Workplace Gazette*, Vol. 6, No. 4.

- farm workers whose employment is directly related to the primary production of eggs, milk, grain, seeds, fruit, vegetables, maple products, honey, tobacco, pigs, cattle, sheep, poultry or animal furs.

Moreover, the list of farm workers excluded from the application of *LSC* provisions regarding overtime, hours of work and general holidays with pay has been expanded. It now includes workers employed in the primary production of Christmas trees and Christmas wreaths and all those working in agricultural establishments where production is carried on predominantly in greenhouses or otherwise under cover.

General Minimum Wage Order

A number of amendments have also been made to the *Minimum Wage Order (General)*.

- In all cases, farm workers whose employment is directly related to the primary production of eggs, milk, grain, seeds, fruit, vegetables, Christmas trees, Christmas wreaths, maple products, honey, tobacco, pigs, cattle, sheep, poultry or animal furs are not entitled to any premium wages (i.e. neither 1½ times the minimum wage nor 1½ times the employee's wage rate) for overtime work, or to call in pay when they must report to work outside their scheduled working hours. This includes agricultural workers who were previously covered by these provisions (i.e. persons working in agricultural establishments where the primary production of flowers, fruit, grain, seeds, tobacco or vegetables is carried on predominantly under cover from the elements). In addition, agricultural workers under 16 years of age who were previously covered by minimum wage provisions (e.g. youth working in greenhouses to produce specific crops) are now exempted.

- The definition of "harvesting of fruit, vegetables and tobacco" has also been repealed. As a result, *all* employees paid on a piece work basis and whose work is directly related to the harvesting of these crops are excluded from minimum wage requirements. Previously, the exclusion only applied to persons engaged in the infield, non-mechanized gathering—but not the transportation, grading or processing—of crops that are *not* grown under cover.

- All employees in the transport industry (not just those who are required to be away from home base overnight, as was the case before) are now only entitled to the overtime rate of 1½ times the minimum wage when they work in excess of 96 hours over a period of two consecutive weeks.

- Health and personal care workers employed in a building which includes their place of residence are excluded from any premium wages for overtime work.

Minimum Wage Order for Construction and Property Maintenance Employment

A new Regulation, the *Minimum Wage Order (Construction and Property Maintenance)*, has replaced the *Minimum Wage Order (Road Building and Heavy Construction Industry)*.

The scope of the new Regulation is broader. It covers employees engaged in: the construction, restoration or maintenance of roads, streets, sidewalks, structures (including buildings), bridges, paving, and water and sewer installations; earth and rock moving or related works; snow removal; primary production of raw construction materials, including primary production work in a saw mill; work in a machine shop and metal fabrication. However, it does not apply to municipal employees engaged in street construction, restoration or maintenance; persons receiving training under government-sponsored and government-approved plans; apprentices under apprenticeship agreements; employees of enterprises engaged in building sanitation or security; and employees engaged in supplying materials for shipbuilding, ship repair, the oil and gas industry or related activities other than retail.

Employees covered by this Regulation are entitled to the same minimum wage rate as employees covered by the *Minimum Wage Order (General)*. However, overtime wages, equal to 1½ times the employee's regular hourly rate, only applies to time worked in excess of 110 hours within a 14-day period.

Nunavut: *An Act to amend the Safety Act*; Bill 49 Assented to December 5, 2003

This Act brought amendments to the *Safety Act*. It came into force on January 1, 2004, except for provisions dealing with safety programs which will come into force by order of the Commissioner of Nunavut. The most significant amendments are as follows:

- The definition of "employer" has been modified to include an "owner" and a person having charge of "an establishment in which one or more workers are engaged in work" (previously, the definition referred to "an establishment in which one or more persons are employed").
- The *Act* now provides that, if two or more employers have charge of an establishment, the principal contractor or, if there is none, the owner of the establishment must coordinate the activities of all employers in the establishment for health and safety purposes.
- Duties are imposed on suppliers of any tool, equipment, machine, device or any biological, chemical or physical agent used at establishments.
- It is provided that every employer must implement and maintain the applicable prescribed safety program for its work site and, if required by the regulations or if directed by the Chief Safety Officer, must establish a joint work site health and safety committee as part of the program. When there are two or more employers at a work site, they are required to jointly implement and maintain a safety program if one is required. (As mentioned above, these provisions have not yet taken effect.)
- It is stipulated that a joint work site health and safety committee must be composed of an equal number of worker representatives chosen by the workers at the work site and persons chosen by the employer or by each employer when there is more than one.
- Provisions relating to the disclosure of information have been amended in recognition of the Workers' Compensation Board's responsibility for administering the *Act*, the *regulations* and other legislation, in recognition of the need to share information with other governmental agencies or departments in Canada and with regulatory bodies or agencies approved by the Board, and to take into account the *Access to Information and Protection of Privacy Act*.
- It is now provided that the identity of persons from whom information is obtained in confidence under the *Act* can only be disclosed when this is necessary to investigate or prosecute an alleged contravention of the legislation (previously, the names of such persons could be disclosed when this was required for the purposes of the *Act* or the *regulations*).
- A safety officer is authorized to give notice to an employer that, if his/her direction arising out of an inspection is not carried out, a further direction may be given to address a potential danger, and, in the event of a subsequent non compliance with a direction in respect of which such a notice was given, the safety officer has the power to order that a place, matter or thing not be used until the direction is complied with.
- The Chief Safety Officer is given the power to approve and issue codes of practice to provide practical guidance with respect to the requirements of the *Act* and the *regulations*.

- Lastly, a Safety Advisory Committee, including an equal number of members representing workers and employers, is established to make recommendations respecting amendments to the *Act* and *regulations* that it determines are needed.

Ontario: Amendments to *Exemptions, Special Rules and Establishment of Minimum Wage Regulation*; Ontario Regulation 401/03 under the *Employment Standards Act, 2000*; Ontario Gazette of December 20, 2003

Amendments to the *Exemptions, Special Rules and Establishment of Minimum Wage Regulation* have increased the general minimum wage rate from $6.85 to $7.15 an hour, effective February 1, 2004. This is the first in a series of increases that will take place every February 1 until the year 2007, at which point the general minimum wage rate will reach $8.00 an hour. The minimum wage rates for specific groups will also increase during that period. Below are the upcoming changes to minimum wage rates in Ontario.

Moreover, a section has been added to the *Regulation* to ensure that employers comply with the new minimum wage rates as soon as they come into effect, even if this occurs in the middle of a pay period.

Finally, there has been no change to maximum wage deductions allowed for room and board provided to an employee by his/her employer.

	Previous	Feb. 1/2004	Feb. 1/2005	Feb. 1/2006	Feb. 1/2007
General Minimum Rate	$6.85	$7.15	$7.45	$7.75	$8.00
Students under 18[1]	$6.40	$6.70	$6.95	$7.25	$7.50
Liquor Server[2]	$5.95	$6.20	$6.50	$6.75	$6.95
Hunting and Fishing Guides working less than five consecutive hours in a day (daily rate)	$34.25	$35.75	$37.25	$38.75	$40.00
Hunting and Fishing Guides working five or more hours in a day (daily rate)	$68.50	$71.50	$74.50	$77.50	$80.00
Homeworkers[3]	$7.54	$7.87	$8.20	$8.53	$8.80

[1] This rate applies to students under 18 working not more than 28 hours per week or employed during a school holiday.

[2] Applies to employees serving liquor directly to customers, guests, members, or patrons in premises for which a licence or permit has been issued under the *Liquor Licence Act*.

[3] Homeworkers are defined as people doing paid work in their home for a third party employer. They are entitled to at least 110 per cent of the general minimum wage rate.

Prince Edward Island: *An Act to Amend the Employment Standards Act*; Bill 19; Assented to December 16, 2003

This Act has added new compassionate care leave provisions to the province's employment standards legislation. These provisions are similar to those recently passed in other jurisdictions: an employee is now entitled to up to eight weeks of unpaid leave, to be taken in segments of at least one week each within a specified 26-week period. The eight weeks of leave must be shared where two or more persons provide care or support to the same family member. The only eligibility requirement is to provide the employer, either before or after taking the leave, a copy of a medical certificate stating that an immediate family member of the employee has a serious medical condition carrying with it a significant risk of death within 26 weeks.

Compared to most of the other jurisdictions with compassionate care leave provisions, the definition of "immediate family" in Prince Edward Island is broader, since it includes an employee's siblings in addition to his/her spouse, common-law spouse, children and parents.[10] It should also be noted that no specific protection has been prescribed for an employee's seniority and benefits while on leave, nor are there explicit reinstatement provisions.

Finally, an amendment has been made to section 2 of the *Employment Standards Act* to ensure that compassionate care leave provisions also apply to employees covered by a collective agreement.

The *Act* came into effect on December 16, 2003.

Quebec: *Regulation respecting labour standards specific to certain sectors of the clothing industry* under *An Act respecting labour standards*; O.C. 1288-2003; Quebec Official Gazette, Part II, of December 17, 2003

The *Regulation respecting labour standards specific to certain sectors of the clothing industry* covers employees in the men's and boys' shirt industry, the women's clothing industry, the men's clothing industry and the leather glove industry (thereafter called employees in the clothing industry). Historically, four collective agreement decrees established certain minimum conditions of employment applicable to those sectors. On November 11, 1999, *An Act respecting the conditions of employment in certain sectors of the clothing industry and amending the Act respecting labour standards* came into force. It extended the application of the decrees until June 30, 2000, stipulating that after that day the government of Quebec could adopt, by regulation, transitional provisions regarding minimum standards for those sectors. Afterwards, in accordance with this legislation, the government could adopt a regulation permanently establishing standards of employment applicable to these four sectors of the clothing industry. Consequently, the government adopted, as a temporary measure, the *Regulation respecting minimum labour standards in certain sectors of the clothing industry*, which came into force on July 1, 2000. The *Regulation*'s expiry date was subsequently deferred to December 31, 2003. On January 1, 2004, the new *Regulation respecting labour standards specific to certain sectors of the clothing industry* came into force, setting in a more permanent manner the standards pertaining to these sectors of the clothing industry. It should be noted that, notwithstanding this Regulation, provisions of the *Act respecting labour standards* continue to apply to employees of the clothing industry as long as they are not incompatible with the *Regulation*.

[10] However, in contrast to other jurisdictions, this definition does not include the children of the employee's spouse or the spouse or common-law partner of the employee's mother or father.

Minimum Wage

The *Regulation* provides for a minimum wage rate of $8.00 an hour, payable to employees of the clothing industry, whereas the general rate under the *Act respecting labour standards* (the *Act*) is $7.30 an hour.

Standard Workweek

Moreover, for the purpose of calculating overtime, the standard workweek for employees covered by the *Regulation* is of 39 hours, whereas it is of 40 hours for other employees covered by the *Act*.

Statutory General Holidays with Pay

Regarding statutory general holidays with pay, the *Regulation* provides for two more days than what is set out under the *Act*. Employees in the clothing industry are entitled to a holiday on January 2nd as well as on Good Friday and Easter Monday, whereas under the *Act* only one of the latter two days, at the employer's discretion, is considered a statutory general holiday with pay.

Annual Leave with Pay

The new *Regulation* provides for annual leave with pay. When, at the end of a reference year, an employee has less than one year of uninterrupted service with the same employer, he/she is entitled to an uninterrupted annual leave, established on the basis of one working day for each month of uninterrupted service, for a total leave not exceeding two weeks. In the case of an employee who is credited with one year of uninterrupted service, he/she is eligible to a minimum leave of three weeks, of which two weeks must be consecutive. As for an employee who has three years of uninterrupted service with the same employer, he/she is eligible to an annual leave of a minimum duration of four weeks of which three weeks are to be taken consecutively. Also, the *Regulation* provides for an annual leave indemnity of 4 per cent of an employee's gross earnings when the latter has less than one year of uninterrupted service, of 6 per cent when the employee is credited with at least one year of uninterrupted service and of 8 per cent when he/she has three years of uninterrupted service, with the same employer. These provisions are more generous than those of the *Act respecting labour standards*.[11]

Leave for Family Events

Finally, the new *Regulation* contains leave provisions relating to the death or funeral of an employee's relative. In the case of the employee's spouse, child, father, mother, brother or sister, or the child of the employee's spouse, the employee is entitled to three consecutive days of leave, without reduction of wages, as well as two additional days without pay. In addition, an employee is entitled to one day without reduction of wages by reason of the death or funeral of one of his/her grandparents or the father or mother of his/her spouse, and a day without pay with respect to a son-in-law, daughter-in-law, one of his/her grand-children as well as a brother or sister of the employee's spouse. These standards are also more generous than the provisions of the *Act*.[12]

Quebec: *An Act to amend the Labour Code*; Bill 31 Assented to December 18, 2003

This Bill amends the provisions of the *Labour Code* as regards the transmission of rights and obligations upon the transfer of ownership or operation of all or part of an undertaking (sections 45 to 45.3 of the *Code*).

[11] The maximum provided for under the *Act respecting labour standards* is three weeks of annual leave and an indemnity representing 6 per cent of the employee's gross earnings after five years of uninterrupted service with the same employer.

[12] The maximum provided for under the *Act respecting labour standards* in the case of the death or funeral of an employee's immediate family member is of one day without reduction of wages and four days without pay.

As a result of the repeal of a measure introduced in 2001, which provided that the employer had to give to the association of employees concerned a notice indicating its intention to transfer the ownership or operation of all or part of an undertaking and that the association could apply to the Labour Relations Commission, within certain time limits, for a determination as to the application of section 45 (section 45.1 which came into force on November 25, 2002), the automatic applicability of section 45 is re-established.

An amendment to section 45 of the *Labour Code* provides that the certification of an association of employees or a collective agreement is not transferred when the transfer of part of the operation of an undertaking does not entail transferring to the transferee, in addition to functions or the right to operate, most of the elements that characterize the part of the undertaking involved.

Where the operation of part of an undertaking is transferred[13] and, by virtue of section 45, the certification of an association of employees and a collective agreement that is in force are transferred to the transferee's undertaking, the collective agreement is deemed to expire on the day the transfer of part of the operation becomes effective and the notice to start negotiations to make a new collective agreement may be given by either party within the following 30 days. The working conditions of the employees affected may not be altered without the consent of the certified association of employees for a period of at least 90 days, as provided in the *Labour Code*.

The Commission may, on the motion of an interested party filed in the 30 days that follow the effective date of the transfer of the operation of part of an enterprise, set aside the provisions mentioned in the two preceding paragraphs if it considers that the transfer was carried out for the main purpose of hindering the formation of an association of employees or undermining the continued integrity of a certified association of employees.

These provisions apply to the transfer of part of the operation of an undertaking that takes effect on or after February 1, 2004.

[13] This does not apply in the case of the transfer of the operation of part of an undertaking between employers of the public and parapublic sectors.

For additional information on recently adopted or proposed changes to Canadian Labour Laws, please visit the Human Resources and Skills Development Canada Website at

http://www.hrsdc.gc.ca,
(1) using the A-Z Index, choose "D" as Alphabetical Choice
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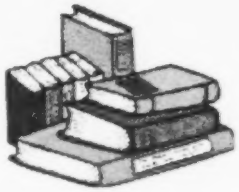

Diversity in the Workplace

Handbook of Diversity Management: Beyond Awareness to Competency Based Learning. Edited by Deborah L. Plummer. Lanham, Md.: University Press of America, 2003.
HF5549.5 M5 H36

This book is organized in three sections. Theoretical Foundations presents the theories to support understanding of the practices of diversity management. Skill-Based Learning deals with diagnosis of diversity in organizations, communication, and diversity conflict resolution. Professional Issues focuses the practitioner on self-education and collaborative learning. The chapters can be read in sequence for a comprehensive view of the field, or on a selective basis for specific components.

Lieberman, Simma, George F. Simons and Kate Berardo. **Putting Diversity to Work: How to Successfully Lead a Diverse Workforce.** Menlo Park, Calif.: Crisp Learning, 2004.
HF5549.5 M5 L53

This workbook aims to help organizations optimize the benefits of a diverse workforce. It covers four main concepts: enabling the organization to take advantage of diversity; developing personal diversity awareness and skills; leading and communicating in a diversified workplace; and recruiting and retaining a diverse workforce. The book can be used in group training or for self-study.

A Place for All: a Guide to Creating an Inclusive Workplace. Ottawa, Canadian Human Rights Commission, 2003.
CA1 HR102 03P41

Employers in Canada have a duty to accommodate, as required by the Canadian Human Rights Act and the Employment Equity Act, to meet employee needs relating to factors such as disability, sex, age, family status, and ethnic or national origin. This publication explains employers' legal obligations regarding the duty to accommodate, and provides guidelines for the creation of accommodation policies and procedures.

The Psychology and Management of Workplace Diversity. Edited by Margaret S. Stockdale and Faye J. Crosby. Malden, Mass.: Blackwell Publishing, 2004.
HF5549.5 M5 P79

Experts in specific domains examine the problems associated with various dimensions of diversity, including race and ethnicity, gender, disability, age, sexual orientation and obesity. The book presents practical, theoretically-based strategies for creating and sustaining diversity and inclusion in organizations, and describes diversity management around the world.

Raines, Claire. **Connecting Generations: the Sourcebook for a New Workplace.** Menlo Park, Calif.: Crisp Publications, 2003.
HF5549.5 M5 R34

This sourcebook of techniques, tips, checklists and exercises is based on the author's 15 years of experience in helping organizations manage generational diversity in the workplace. It profiles the characteristics of the four current generations in the workforce and addresses related issues: adapting your style to develop rapport; mixing generations successfully; communicating; recruiting and retaining; effective use of meetings; and training.

Schneider, Susan C. and Jean-Louis Barsoux. **Managing Across Cultures.** 2nd ed. New York: Financial Times, 2002.
HD31 S36 2002

Part I presents a framework for the analysis of multiple spheres of cultural influence affecting the organization—national, regional, industry, corporate, professional and functional. Part II examines how national culture influences management practice in the areas of organizational structure, strategy, and human resource management, and the implications of these differences, for example possible adoption of other best practices and management models. Part III deals with approaches to managing cultural differences within multicultural teams and in interaction with other global organizations.

NOTES

1. *For other available references in French language only, see the French version of the Workplace Gazette / Gazette du travail.*
2. *Employees of Social Development Canada and Human Resources and Skills Development Canada can borrow these items from the Departmental Library. Others can borrow them through their own library.*

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YESTERDAY and TODAY

Suzanne Payette
Workplace Information Directorate
Labour Program

Pension Plans

Fifty Years Ago...

In April 1954, the *Labour Gazette* featured an article on Canadian pension plans. While the basic purpose of a pension plan is simple—to help the employee provide for his years of retirement—the procedures by which that purpose is accomplished are necessarily complex. Many factors must be considered under such broad headings as: method of financing the plan, benefits to be provided, manner of administration, eligibility requirements, vesting and age of retirement.

More than half (238) of 411 Canadian firms with 500 or more employees had a company-wide pension plan. Five out of six (176) of these pension plans were financed by both employee and employer contributions; the remaining 38 plans were non-contributory. This wide adoption of the contributory method in Canada was in contrast with the experience in the United States where non-contributory plans appeared to be about as popular as contributory plans.

Among the plans studied, great variation was found in contribution and benefit formulas. Rates of contribution varied, not only in the level of pension benefit, but also in the type of supplementary benefits that may be provided and the age stipulated for retirement. The cost of a pension plan was also affected by the age and sex of the persons in the working force, rate of interest earned by accumulated contributions, employee turnover and other factors.

During World War II, when wages were subject to controls, a considerable number of employee benefit plans were introduced in industrial firms in lieu of wage increases. In 1949, unions started a drive for pensions that resulted in the introduction of plans in a number of establishments. For the most part, the unions aimed at obtaining non-contributory pension plans and met with some success in the iron and steel products and the non-metallic mineral products industries. Canadian taxation law favoured contributory plans: the money an employee contributes to a pension plan is deductible from income for taxation purposes while in the United States, only the employer's contribution was deductible.

Today...

Approximately 80 per cent of collective agreements in the Workplace Information Directorate's database include a pension plan. Contributory plans now represent approximately 41 per cent of plans with an additional 9.0 per cent of plans providing for the possibility of additional voluntary contributions. Non-contributory plans account for 15 per cent of plans with an additional 3.0 per cent of plans providing for additional voluntary contributions.

Defined benefit plans account for a little over 60 per cent of provisions while defined contributions plans (5.0 per cent) and hybrid or combined plans (1.0 per cent) represent the balance.

There are provisions for determining the pension benefit levels based on service, age and earnings. A more detailed article on pension plans will appear in the next issue of the *Workplace Gazette*.

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Information sur les milieux de travail

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Wage Settlements Bulletin

A monthly publication providing the most up-to-date information and analysis of major wage developments in collective bargaining in Canada. The Bulletin is a valuable and recognized reference source providing statistical and analytical information illustrated with useful charts and tables on recent wage developments. The aggregate data and details are published in the following groupings: public and private sectors, regions and jurisdictions, and major industry groups. **Subscription:** Canada, 1 year: $220 or 2 years: $400 plus 7% GST; other countries, 1 year: US$220 or 2 years: US$400 (available by e-mail and mail).

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A quarterly publication providing data on wage adjustments from major collective bargaining settlements in Canada by public and private sectors, by region, by jurisdiction and by major industry; detailed analysis of selected provisions in major agreements; a chronological perspective on work stoppages; and, information on innovative workplace practices resulting from collective bargaining. It also features articles and case studies on pertinent industrial relations matters. **Subscription:** Canada, 1 year: $140 or 2 years: $250 plus 7% GST; other countries, 1 year: US$140 or 2 years: US$250 (available by mail only).

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